

REVIEW OF THE CONSERVATION RESERVE PROGRAM—GEORGIA FORESTRY COMMISSION

HEARING

BEFORE THE

SUBCOMMITTEE ON
CONSERVATION AND FORESTRY
OF THE

COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY
UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

SECOND SESSION

ON

FORESTRY AND THE CONSERVATION RESERVE PROGRAM

JANUARY 19, 1988—MACON, GA

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REVIEW OF THE CONSERVATION RESERVE PROGRAM—GEORGIA FORESTRY COMMISSION

TUESDAY, JANUARY 19, 1988

U.S. SENATE,
SUBCOMMITTEE ON CONSERVATION AND FORESTRY,
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Macon, GA.

The subcommittee met, pursuant to notice, at 2:12 p.m., in the offices of the Georgia Forestry Commission, 5845 Riggins Mill Road, Macon, GA, Hon. Wyche Fowler (chairman of the subcommittee) presiding.

Present or submitting a statement: Senator Fowler.

Also present: Representative J. Roy Rowland.

STATEMENT OF HON. WYCHE FOWLER, JR., A U.S. SENATOR FROM GEORGIA

Senator FOWLER. Ladies and gentlemen, my apologies for being slightly late. I am overwhelmed by the size of the crowd. All I can do is to welcome you and thank you for coming.

This hearing is sponsored by the Committee on Agriculture, Nutrition, and Forestry of the U.S. Senate. I have been appointed as the new subcommittee chairman for the Subcommittee on Conservation and Forestry. I am no instant expert, believe me. I have spent a considerable amount of time during my first year in the Senate, as some of you know, holding hearings on overall agricultural policy. We have had hearings in Blakely, Tifton, and Moultrie and a couple of other places.

This is a continuing effort not only to hear from a lot of people who have responsibilities of public policy at the State and the Federal level, but also to hear from you who have to live under and follow our policies and our policy decisions whatever they are.

We have an invited panel today of experienced people that we are going to hear from, and I will welcome them individually. But also, with the size of the crowd, I hope that—well, I will not hope, I will do it. At the end of the meeting, we will have an open microphone and I can push things back a little bit, so I would like to hear from some of you who have come in to respond to anything that you have heard today, and certainly any questions or comments that you might have.

With me here on my left is David Johnson, who is one of our fine staffers with the minority—Mr. Lugar, the Republican leader on the Senate Agriculture Committee; and on my right is Cris Coffin,

who is also an experienced senior staffer on the Agriculture Committee who works with me on these matters.

Let me just quickly make an opening statement because I want to get it in the record and it might help set the stage for many of the questions and many of the comments that you are about to hear.

The purpose of this hearing on forestry and specifically the Conservation Reserve Program is to hear about some new changes, some proposed policies and also of course, as always, to have some sort of review.

It is a pleasure to work on a Federal program that seems to be working and, right now, has more potential than problems. You cannot say that about a lot of our Federal responsibilities. It seems that too often in the 1980's when we have convened to discuss agricultural programs we are seeking to effect a bailout or avert some kind of disaster. The CRP is working. We have the rare luxury today of looking at ways to improve what I think most people agree is a working program.

But that is no reason for early self-congratulations or self-satisfaction, because this is a fundamental issue in this State and our country: the way our farmland is husbanded, how the soil is conserved, and the environment protected for future generations who come after us—in this country that draws so much of its strength from the productivity of its farmers. It is not a matter of bureaucracy it seems to me, but a basic responsibility of our stewardship.

We must make sure that the land inherited by the next generation has been responsibly managed, that sensitive ecological balances have not been upset by keeping marginal lands in production.

I am pleased to be able to announce today that the United States Department of Agriculture and OMB have already instituted some improvements that we requested in the CRP, in pursuit of these goals I just outlined. These changes have just become official and will go into effect by the February sign-up.

They will expand the cropland eligible for the Conservation Reserve Program, if it is planted in trees. The erosion rate required to sign land up for the reserve will be reduced from the 3T category to the 2T category. We will discuss those differences shortly.

Previously, in order to sign up a field, two-thirds of it had to be classified as highly erodible. Under the new regulations, only one-third needs to meet this classification, if the producer agrees to plant trees. Hence, this rule change not only increases CRP tree planting, but helps many farmers achieve conservation compliance as well.

Also, according to the new rules, the 25 percent cropland limitation can be waived under certain circumstances, if the additional acres will be used for tree planting.

Last, but perhaps most important, the rule changes will allow cropland to be enrolled in the reserve without meeting any highly erodible criteria if it is situated next to a stream or a lake and can substantially reduce runoff if planted in grass, shrubs, or trees. These filter strips, as they are called, would generally be 66 to 99 feet in width and would go a long way, we hope, to protect our water from pesticides and sedimentation.

We believe, but we want to hear from you and want to hear from this and other panels—we believe that all these adjustments will improve the effectiveness and attractiveness of the CRP, resulting in increased profitability for our farmers and better environmental management, while at the same time encouraging investment in this valuable resource for the future.

I am delighted we were able to implement these changes through the Department of Agriculture. I do want to thank the National Association of State Foresters as well, as so many members and organizations, State Forestry Commission, Farm Bureau, for their considerable cooperation in this effort.

Over the past few years it seems as though it has been a rare occasion when the administration and all the agencies and associations involved have agreed on measures for the good of the farming community. I certainly welcome this spirit of cooperation and this expeditious movement to improve the CRP Program.

I hope that we can maintain that level of energy and effectiveness on behalf of our agricultural sector, and I look forward to hearing from all of you, to hearing your views on potential problems that we may not have discovered, and opportunities—additional opportunities for the Conservation Reserve itself.

[The prepared statement of Senator Fowler follows:]

Opening Statement of Senator Wyche Fowler, Jr.
Chairman, Senate Subcommittee on Conservation and Forestry
Hearings on the Conservation Reserve Program
19 January 1988

I want to thank everyone here today for coming to this hearing on forestry and the Conservation Reserve Program and letting us all benefit from your insight.

It is a pleasure to work on a program that is working and, right now, has more potential than problems. It seems that too often in the 1980s when we have convened to discuss agricultural programs we are seeking to effect a bailout or avert disaster. The CRP is working. We have the rare luxury today of looking at ways to improve the program, and I am looking forward to hearing your ideas on this subject.

But that is no reason for early self congratulations or self satisfaction, because this is a fundamental issue: the way our farmland is husbanded, how the soil is conserved and the environment protected for future generations -- in this country that draws so much of its strength from the productivity of its farmers. It is not a matter of bureaucracy, but a basic responsibility of our stewardship.

Leviticus 25: "Throughout the land that you hold, you must provide for redemption of the land."

We must make sure that the land inherited by the next generation has been responsibly managed, that sensitive ecological balances have not been upset by keeping marginal lands in production.

I am pleased to be able to announce that USDA and OMB have already instituted some improvements that I requested in the CRP, in pursuit of these goals. These changes just became official and will go into effect by the February sign-up.

They will expand the cropland eligible for the CRP, if it is planted in trees. The erosion rate required to sign up land for the reserve will be reduced from 3T to 2T.

Previously, in order to sign up a field, two-thirds of it had to be classified as highly erodible. Under the new regulations, only one-third needs to meet this classification, if the producer agrees to plant trees. Hence this rule change not only increases CRP tree planting, but helps many farmers achieve conservation compliance as well.

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I think all of these adjustments will improve the effectiveness and attractiveness of the Reserve, resulting in increased profitability for our farmers and better environmental management, while at the same time encouraging investment in a valuable resource for the future.

I am delighted we were able to implement these changes through the USDA. I want to thank the National Association of State Foresters and everyone else who cooperated in this effort.

Over the past few years it seems as though it has been a rare occasion when the administration and all the agencies and associations involved have agreed on any measures for the good of the farmer. I certainly welcome this spirit of cooperation and this expeditious movement to improve the program.

I hope that we can maintain that level of energy and effectiveness on behalf of our agricultural sector, and I look forward to hearing from all of you, to hearing your views on the potential problems and opportunities in store for the conservation reserve.

Senator FOWLER. We welcome my colleague from the Eighth Congressional District who I served with in the House of Representatives for 8 years. We are proud of his stewardship and leadership in many areas, including agriculture in our State, the Honorable J. Roy Rowland. Welcome to you, Roy, and we will be glad to hear from you.

STATEMENT OF HON. J. ROY ROWLAND, A REPRESENTATIVE IN CONGRESS FROM THE EIGHTH CONGRESSIONAL DISTRICT, STATE OF GEORGIA

Mr. ROWLAND. Thank you very much, Senator. As you said, this is a large crowd here today and I can assure you that interest in forestry issues in the Eighth District is directly proportional to the crowd here today.

I want to welcome you to the Eighth District of Georgia. So many times when people are elected to office and leave the place from which they were elected, they do not fulfill all the things that they committed to do at the time they were elected. But I want to say that Senator Fowler has done exactly what he said he would do. When you were campaigning, I made the statement to many people that I thought you would do what you said that you would do once you got to Washington, and you have. You have gotten on the Agriculture Committee, you have worked hard for agriculture, you have become chairman of the Subcommittee on Conservation and Forestry, and the fact that you are having this hearing today is an indication to anyone here that you know that agriculture and particularly forestry is extremely important to the Eighth District of Georgia.

In fact, there is more softwood timber produced in the Eighth District of Georgia than any other district in the entire United States, that is mostly privately owned. There is one district in this country that produces more softwood timber than the Eighth District of Georgia and that is in Oregon and it is 45 percent owned by the Federal Government.

So you can see how important it is that we maintain a program of forestry, and that we maintain a program of conservation here in our own State, because we are in an area where softwood grows fast, much faster than in any other area of the country and the world. We are in negative balance at this particular time in our State, we are harvesting more than we are producing and we have got to reverse that trend.

It seems to me that there is a meshing of the elements here in that we need to get erodible land out of production. And, we also need to increase the amount of softwood trees being produced, and those two will work together.

I am very pleased that you are here today. You bring good news about the administration agreeing to change some of the criteria in the Conservation Reserve Program. That is particularly important here in the Eighth District of Georgia because when the criteria was 3T, there was much land below the fall line that was not eligible for soil conservation for this program. Now with the change in these requirements, I hope that we are going to find a lot of land that will be eligible for the Conservation Reserve Program.

Additionally, I hope that we will be able to expand the number of acres. In the Eighth District of Georgia, there are over 85,000 acres contracted under the Conservation Reserve Program, and nationwide about 45 million acres I believe has been authorized. I hope we can increase that to 65 million acres. We need to continue to work on this program which is vital not only to the economy of our District and our State, but also to our country.

John [John W. Mixon], I want to thank you for all that you do. You just do an outstanding job with forestry here. I see John so many times here at home and in Washington, he is working all the time, and all of your staff.

And I want to thank everyone that is here for this hearing and the things that you are going to have to say, because Senator Fowler and I can only learn from the people at home about what we need to do in Washington. Too many times, people there do not listen to the folks at home who are directly affected by various programs that are enacted into law. Consequently those programs go awry.

We need your information to let us know what we need to do. Senator, welcome again and thank you very much.

Senator FOWLER. Thank you, Roy, very, very much.

Let me introduce the people who are sitting at the table and then without any further ado, John, we will just let you submit any statements, of course, that you have for the record. The full statements will be made a part of the record as well as any supplementary material, and then to the extent that you can summarize, please do. But I thank you already for the work you have put into your testimony today.

First, we will have the State Director of the Georgia Forestry Commission, who everyone knows, Mr. John Mixon. Then we have Mr. Jack Warren, who is the executive director of the Forest Farmers Association. Next, Mr. Dennis Dozier, a fine agribusinessman from Camilla, and from the American Tree Farm System and National Tree Farmer of the Year, Mr. C.M. Stripling from Camilla.

We welcome all of you, and John, I will let you start out and then we will figure out a time when we are going to interrupt you and ask you some questions.

STATEMENT OF JOHN W. MIXON, DIRECTOR, GEORGIA FORESTRY COMMISSION, STATE OF GEORGIA

Mr. MIXON. Thank you, Senator. I want to welcome you and all the other people to our Forestry Center here in Georgia. We feel like when you talk about conservation reserve and planting trees, this is a great place to have this meeting and we appreciate you coming.

Senator Fowler, we are pleased that you are chairman of the Conservation and Forestry Subcommittee of the Senate Agriculture Committee. You have certainly proven to have a sincere interest, along with Senator Nunn, in our Georgia farmers and forest landowners.

Without your leadership and that of Senator Nunn, as well as our able Congressmen Roy Rowland, Robert Lindsay Thomas, Richard Ray, Charles Hatcher and others, we would not have the Con-

servation Reserve Program that is benefiting so many Georgia landowners and is tremendously impacting our reforestation effort across Georgia.

It is my opinion—and the opinion of many others in the forestry community—that the Conservation Reserve Program, which was launched in March 1986, is one of the best Federal programs ever devised for the farmer to plant trees.

During the Soil Bank Program in 1956 through 1961, Georgians planted 676,000 acres in trees and that was the most trees planted in any State in the Nation. Today, we estimate that approximately 70 percent of that land still remains in trees. It is remarkable that much land was converted to permanent forests through just a single program.

However, with the new program, the CRP Program, I feel we have an opportunity to even exceed that enviable record set in those years. Already, under the Conservation Reserve Program, here in Georgia, we have 330,000 acres contracted for tree planting. In fact, we lead the Nation in the tree provision of the program. Our planting to date represents 30 percent of all trees planted in the Nation under the Conservation Reserve Program.

This figure is impressive—but our goal is to do more. I believe that we can place up to 800,000 acres in this program by 1990, possibly do more than that. Some people are saying I am low with this estimation.

When I travel around the State and other parts of the country, people ask me “how were you people in Georgia able to do this?”

Back in 1983, we launched a statewide campaign after the U.S. Forest Service data came out from our last survey indicating that we are harvesting more pine timber in our State than we are growing. This concerns all of us.

Tree planting on the private, nonindustrial forest land (PNIF) in the State that year was about 78,000 acres. More than 148,000 acres were planted the very next year on PNIF lands, the nonindustrial, private landowner.

During the 1986-87 planting season, 217,000 acres were planted by private landowners.

Forestry in Georgia is big business. It is an \$8.6 billion industry, offering employment for better than 80,000 people. Governor Harris has increased that to \$9 billion and I do not argue with him, but I tell him that is close anyway. But we consider it an \$8.6 billion industry offering employment to better than 80,000 people.

We have been the leader in the production of Southern pulpwood for 37 consecutive years. We lead the country in the production of naval stores. We have the greatest privately owned forest acreage of any State.

We need to maintain this lead where we are today and we need to grow more trees out there.

There is a new product being introduced into Georgia now, called oriented strand board. We have a plant coming online from Langdale Timber Company down in Valdosta in Brooks County. We have two other facilities that have been announced, the Huber Corporation has announced up in Jackson County and also Louisiana Pacific is constructing a plant near Athens. This is a new product

altogether to our State and we have got to have the raw materials to provide these mills that are coming in.

Undoubtedly, many other wood related industries will be locating in our State if we can show industrialists that we will indeed have sufficient raw material for their operations.

It is our goal to replant every acre in trees for every acre that is harvested in our State and of course if we do that, we need to do a little more. Ladies and gentlemen, we are harvesting something in the neighborhood of 600-640,000 acres per year in our State. Last year we planted more trees than had ever been planted in Georgia before and we planted 525,000 acres. We are hoping this Conservation Reserve Program is going to enable us to at least plant an acre for each acre we harvest.

We acknowledge the role that CRP is playing in our reforestation program and the recent changes that Senator Fowler has just mentioned.

I would like to comment, I am convinced that we would not have those changes if it had not been for Senator Fowler, Senator Nunn, Congressmen Robert Lindsay Thomas, J. Roy Rowland and others. Over on the congressional side, they got 48 signatures that went to Secretary Lyng requesting these changes. Over on the Senate side I believe it was 10 signatures on that Dear Colleague letter. This is important when you need some changes brought about, as Senator Fowler mentioned. We certainly appreciate Senator Fowler and Senator Nunn, Congressman Roy Rowland and others, for really pushing for this. This is something we really need.

We have had many landowners over the State saying I want to get my erodible land in the program but it will not qualify for the 3T. We think this 2T is going to really help, plus this one-third field predominance that Senator Fowler mentioned.

Senator Nunn's bill that you cosponsored, Senator Fowler, to increase the reserve from 45 to 65 million acres will greatly assist the South in replenishing the needed pine timber supply. Throughout the South than we are harvesting more pine timber than we are growing at the present time. The CRP contributes to supply control efforts at about half the cost of traditional commodity programs. It also offers tremendous benefits in controlling erosion and protecting the water quality, as Senator Fowler mentioned.

Some suggestions that I would like to make to improve the program, the very successful program that we have:

One, I would like to see bids established up front, establish ceiling bids prior to sign up. When the landowner went in the last time in the State of Georgia, they realized that \$45 was the maximum amount accepted from the last signup. But I think if the landowner knew when he went into the ASCS office that he could sign his land up for \$45 per acre or whatever it might be, would be much better than him having to carry out the bid procedure that he does now.

Two, it has been suggested that we offer a one-time bonus for planting trees of \$5 to \$10 more per acre like the bonus to get some of the corn acreage out.

Three, we would like to see the elimination of the time ownership requirements that are on this program at the present time. If our goal is to control soil erosion, if it is to hopefully get more trees

out there, who owns the land is not all that important to get this accomplished. As you know, the tree-planting provision of this program is only about 50 percent of where we hoped it would be at this time.

Four, one other area I would like to see is to allow marginal pastureland to qualify. Traveling over the State, you see some pastureland that is erodible, especially on steeper slopes, and I think this would be real good to allow marginal pastureland to qualify.

Let me point out that the Forestry Commission personnel, and those in the forest industry in Georgia with whom I have discussed CRP, are very optimistic over the program that is converting some of our most undesirable land from marginal agricultural use to vigorous, green forests and what it is going to accomplish in our State.

In anticipation of continued success in convincing farmers to become more involved in CRP and to keep reforestation moving forward, we have established a new nursery. The Governor and the General Assembly has appropriated money, to establish a new nursery near Montezuma, Georgia. We are producing 50 million trees in that facility this year. When we started the CRP Program, a lot of people wondered if we would be able to produce the number of pine seedlings we needed in the South. We have the capability in the State nurseries and industry nurseries to certainly do this.

To help acquaint farmers and others with the CRP Program in our State, we have a reforestation forester assigned to each of our 12 districts. His primary responsibility is working with the private landowner telling him the advantages of the Conservation Reserve Program and other programs that we have.

Georgia's great success with CRP has been a joint effort. It has not been the Forestry Commission alone, it has been a joint effort of the Forestry Commission, the ASCS office, Soil Conservation Service, Extension, U.S. Forest Service, Georgia Forestry Association, Forest Farmers, Georgia Farm Bureau and other groups working together, plus the forest industry and the consulting foresters. It has really been a group working together interested in planting trees in this State.

The benefits of planting 800,000 acres of trees, that I feel we can do in this program, are clearly realized when projected to time of harvest and is really something to our State.

The acreage represents a volume of 19 million cords of pulpwood and 6.24 billion board feet of sawtimber—based on a 30-year rotation. It would bring in an additional \$29.8 million annually, using 1987 dollar figures, to landowners and the total direct and indirect economic impact to the State would total about \$299 million annually.

This acreage would generate an additional \$10.64 million in local and State taxes and would provide 3,600 new jobs in forest industry and enterprises. We have had some top economists working on this and that is some of their projections.

Ladies and gentlemen, again I think this is one of the finest programs that we have had for the landowner to put his acreage in pine trees, since the old Soil Bank of the late fifties and early sixties.

Thank you, Senator Fowler, for all you have done and are doing to promote, strengthen, and expand the Conservation Reserve Program.

[The prepared statement of Mr. Nixon follows:]

COMMENTS FOR CONSERVATION AND FORESTRY SUBCOMMITTEE HEARING
TO REVIEW CONSERVATION RESERVE PROGRAM

Macon, Georgia
January 19, 1988
2:00 P.M.

John W. Mixon, Director
Georgia Forestry Commission

Senator Fowler, thank you for holding this hearing on the Conservation Reserve Program here at the Forestry Center in Georgia. We are pleased that you are the Chairman of the Conservation and Forestry Subcommittee of the Senate Agriculture Committee. You have certainly proven to have a sincere interest, along with Senator Nunn, in our Georgia farmers and forest landowners.

Without your leadership and that of Senator Nunn, as well as our able Congressmen Roy Rowland, Lindsay Thomas, Richard Ray, Charles Hatcher and others, we would not have the Conservation Reserve Program that is benefiting so many Georgia landowners and is tremendously impacting our reforestation effort across Georgia.

It is my opinion - and the opinion of many others in the forestry community - that the Conservation Reserve Program, which was launched in March of 1986, is one of the best federal programs ever devised for the farmer to plant trees.

During the Soil Bank Program in 1956 through 1961, Georgians planted 676,000 acres in trees and that was the most planted in any state in the nation. Today, we estimate that 70 percent of that land remains in trees. It is remarkable that that much land was converted to permanent forests through just a single program.

However, with the new program - the CRP - I feel we have an opportunity to even exceed that enviable record set in those years. Already, under CRP Georgians participating in the program have approximately 330,000 acres under contract for tree planting. In fact, we lead the nation in the tree provision of the program. Our planting to date represents 30 percent of all the trees planted in the nation under the program!

That's impressive, of course. But our goal is to do more - much more! I believe we could ultimately place about 800,000 acres in trees by 1990.

When I travel around the state and in other sections of the nation, I am often asked why Georgia has been able to take such a spectacular lead in the program. Let me quickly point out some of the reasons:

We launched a statewide reforestation campaign in 1983 by organizing committees - in cooperation with other agencies and organizations - in 151 counties. The committees identified marginal lands and cut over timberlands on the local level and encouraged the owners of those lands to plant trees. It was a vigorous drive and is very successful!

Tree planting on the private non-industrial forest land (PNIF) in the state that year encompassed 78,000 acres. More than 148,000 acres were planted the very next year on PNIF lands and the figure has been climbing each succeeding year.

During the 1986-87 planting season, 217,000 acres were planted by private landowners.

The Conservation Reserve Program came on the heels of this on-going campaign and it has done much to help us maintain the momentum that had been built over these years.

But the tremendous surge in tree planting across the state continues to be inadequate to meet the projected needs for fiber in the new century. We must grow more trees and we must start now!

Forestry in Georgia is an industry that is rapidly approaching the nine billion dollar mark. Its effect is felt in all cities and towns and counties in our state.

It is an industry that employs more than 80,000 persons. It is an industry that includes 15 pulp and paper mills. It is an industry that is the third largest producer of lumber in the nation.

We have been the leader in the production of Southern pulpwood for 37 consecutive years. We lead the country in the production of naval stores. We have the greatest privately owned forest acreage of any state.

We need to maintain the lead in all these areas and continue to grow!

Is it any wonder that we will need a tremendous increase in the volume of raw forest products if we are to keep the wheels of our established industry - as well as new ones that will locate in our state - turning out production in the not too distant future?

Already a relatively new product called oriented strand board is being manufactured in our state. The Huber Corporation is building a mill in Jackson County, Louisiana Pacific is constructing a plant near Athens, and the Langdale Corporation has opened a large mill in the Valdosta area to manufacture the product, which is a building sheet similar to plywood in shape.

Undoubtedly, many other wood related industries will be locating in our state if we can show industrialists that we will indeed have sufficient raw material for their operations.

It is our goal to replant every acre in trees for every acre that is harvested. That, of course, won't be sufficient. We will eventually have to do more than just keep even.

We acknowledge the significant role the CRP is playing in our reforestation effort and the recent changes in the rules of eligibility are certainly welcomed. It means many thousands of Georgia farmers heretofore unable to qualify for the program and its benefits will now be able to sign up for the program.

Senator Fowler, the new changes for the Conservation Reserve Program that you, Senator Nunn and our Georgia Congressmen pushed for are going to allow many more acres into the program.

Under the previous sign ups, only those soils eroding at three times their normal rate were eligible. If the soil is now eroding at only two times the normal rate, as determined by the Soil Conservation Service, the land will be considered eligible. The field definition requirements have been amended to allow an entire field into the program if only one-third of it is predominately considered highly erodible (2T).

Before this change, a field had to meet two-thirds predominance to qualify the whole field. The two changes apply only to those landowners wishing to plant trees.

We feel, of course, that even additional changes should be made to bring an even greater number of our farmers under the program that saves valuable soil, helps clean our water, and provides an income and future timber sales for the landowner.

Senator Nunn's bill that you co-sponsored to increase the reserve from 45 to 65 million acres will greatly assist the South in replenishing the needed pine timber supply. The CRP contributes to supply control efforts at about half the cost of traditional commodity programs. It also offers tremendous benefits in controlling erosion and protecting water quality. We are certainly hoping this expansion will pass this Congress.

One proposal many of us have is to include marginal, low-productive pastureland in the program. Drive across this state and you will see hundreds of thousands of acres devoted to pastureland, which should be planted in pine trees - a money producing crop.

Other suggestions for making CRP more appealing to our Georgia landowners are:

1. Establish ceiling bids prior to sign up.
2. Offer a one time bonus for planting trees, \$5-10 more per acre.
3. Eliminate the time ownership requirements.
4. As we stated earlier, allow marginal pastureland to qualify.

Let me point out that the Forestry Commission personnel, and those in forest industry in Georgia with whom I have discussed CRP, are very optimistic over the program that is converting some of our most undesirable land from marginal agricultural use to vigorous, green forests.

In anticipation of continued success in convincing farmers to become involved in CRP and to keep reforestation moving forward under all other programs, campaigns, and incentives, the Commission last spring established the Flint River Nursery near Montezuma. Together with other nurseries of the Commission, more than 200 million seedlings are being distributed to Georgia landowners during the current planting season.

Our nursery complex now has the capability to produce a much greater volume of seedlings whenever demand warrants it. I'm sure we will be using that potential as we expand our reforestation effort.

To help acquaint farmers and others with CRP, a reforestation forester has been attached to each of our twelve districts. His prime responsibility is to make personal contact with landowners in his area, encourage them to investigate benefits of CRP and other programs, and to aid him in ordering seedlings, planting trees and managing his forest.

We have also been active in spreading the news of CRP through landowner conferences, field demonstrations, literature distributed and by working closely with the media in promoting the program.

Georgia's great success with CRP has been a joint effort of the Georgia Forestry Commission, ASCS, SCS, Extension Service, USFS, Georgia Forestry Association, Forest Farmers, Georgia Farm Bureau and other groups working together. Forest industry and the consulting foresters have also assisted with this program. We have attempted to include every group interested in forestry as a partner in our reforestation program.

The benefits of planting 800,000 acres of trees under the program are clearly realized when projected to time of harvest.

The acreage represents a volume of 19 million cords of pulpwood and 6.24 billion board feet of sawtimber (based on a 30-year rotation). It would bring in an additional 29.8 million dollars annually (1987 dollars) to landowners and the total direct and indirect economic impact to the state would total about 299 million dollars annually!

The acreage would generate an additional 10.64 million dollars in local and state taxes and it would provide 3,600 new jobs in forest industry and enterprises.

The Forestry Commission is using every means - letters, posters, radio and TV spots, and newspaper releases - to alert the landowners of the forthcoming sign up in February. We are expecting a great turnout!

Thank you, Senator Fowler, for all you have done and are doing to promote, strengthen and expand the Conservation Reserve Program.

Senator FOWLER. John, thank you very much for your testimony. I think there is one thing that I want to ask you before we go to Mr. Warren.

The Department, as you know, does have under discussion at this time what I understand is active consideration, changes in the bid pool payment rates for this new program. If the Department does make changes in the bid pool payment rates, will this discourage landholders from participating in the reserve program and what result do you anticipate that it will have in Georgia?

Mr. MIXON. If they reduce it, Senator, from \$45 per acre in the State of Georgia; it would hurt the program an awful lot. I hope those changes, if they come about, are not effective for the February signup, because once the figure—\$45 is the maximum amount that has been paid here in our State, the landowners are not going to bid too much under that unless they bid a few dollars less to maybe get their land in. I do not think we have too many people if they dropped it back to a lot less who would be that interested in the program.

Senator FOWLER. Well we have got a fight on our hands.

Mr. MIXON. We have got a fight to keep this program going.

Senator FOWLER. As we know, we had better not try to guess or speculate what the rate may be, but we need to lay it—that is why I wanted to do it all out on the table. We hope that is going to be resolved before the February signup, but whether it is \$45 or \$40 or \$38.50, is under active consideration right now in the administration. They know how we feel in the delegation, especially those of us who pushed so hard for expansion of the program for the reasons that Mr. Mixon just stated. But that fight at some point—it is like the fellow, you know, going out of town for a month and he went down to get somebody to board his horse. So he goes to the farmer and says how much would you charge to board this horse and the guy says well I guess I will do it for \$40 and of course I want the manure. So he says well let me see and he goes down the road a little bit and comes to another guy and the guy says I will do it for \$30, I will board your horse for \$30 but of course I want to keep the manure and finally, since the market is going down he decides he will try one more time so he goes a little further down the road and he gets to this fellow that says \$5. He says \$5, you will keep my horse for \$5. Of course I guess you want all the manure. The guy says look here, buddy, for \$5 there ain't going to be no manure. [Laughter.]

So despite the good news, we still have some fights on our hands with you know who up there in Washington, to make sure that we put the rubber to the road if we are going to get people to seriously come into the program under these new allowances.

We welcome Mr. Jack Warren, who you all know. Jack.

**STATEMENT OF B. JACK WARREN, EXECUTIVE VICE PRESIDENT,
FOREST FARMERS ASSOCIATION, ATLANTA, GA**

Mr. WARREN. Thank you, Senator Fowler. It certainly is a pleasure to come to Macon rather than to Washington to testify, and I am so glad—

Senator FOWLER. That is not what you said when I saw you in that fancy restaurant up here, Jack. [Laughter.]

Mr. WARREN. I am so glad you brought some of our staffers down to the world of reality.

Senator FOWLER. Here-here.

Mr. WARREN. I hope they will be able to get out and see the world. I know Cris Coffin said this is the first time she has been to Georgia and I am afraid she is not going to see enough of it though.

Of course, the Forest Farmers Association represents timberland owners in 15 Southern States and it is really a pleasure to work with the Georgia congressional group. They understand timberland, they understand the plights of the farmer and the timberland owner. And I must say that we get better response out of the Georgia congressional group than any other group and that speaks well for itself.

My testimony is directed primarily toward the Nunn-Fowler bill, to expand the Conservation Reserve Program (CRP). More specifically, I would like to address one of the major goals of that bill, and that is dealing with incentives to encourage the planting of trees under the Conservation Reserve Program.

Of course, Senator, as you know, the Food Security Act of 1985 authorizes up to 45 million acres of highly erodible cropland under the Conservation Reserve Program to be planted in grass or trees. After five signups, some 23 million acres have been enrolled in this program and about 1.25 million to be planted in trees, which is some 5.6 percent. Tree planting falls short of the target, the projected goal, that was set by the bill at 12.5 percent of the total.

I think that the work that you and other congressional Members have done with the Secretary of Agriculture in order to change some of the provisions is certainly going to help.

The 1985 farm bill has been very successful in reducing cost to the Federal Government of support payments, and that has been one of the very strong points I think of the entire program. I understand that CRP payments are costing approximately \$49 per acre per year, whereas corn deficiency payments alone average some \$134 per acre per year. The CRP will undoubtedly save the Federal Government millions of dollars in annual rental payments. Tree planting on CRP lands will save even more over planting grass cover.

I have been told that establishment cost to plant grass on CRP lands averages between \$100 and \$120 per acre. As you know, trees can be planted for about one-half this cost and more than likely the land will stay in trees the 10-year contract has expired, which I think John said earlier. It is a fact that some 80 percent of the lands that were in the Soil Bank Program are still in trees.

The expanded Nunn-Fowler bill to provide an additional 25 million acres and additional incentive to plant trees before the end of crop-year 1988 is to be commended. Our association would support this expansion as long as the funds are provided under the Food Security Act of 1985 rather than through the congressional budget. We certainly do not need any more programs that would increase the national debt.

Recent changes by the Secretary of Agriculture, as I mentioned, should certainly be applauded. However, we are making further

recommendations, if you will, on the incentives for landowners to plant trees on Conservation Reserve Program lands and these are the opportunities that you talked about in your opening statement:

One, we would like to see some of the highly eroded land that is in grass now converted to trees. I know we have a number of our members who brought this up, in that, back before the Conservation Reserve Program, they planted some of their marginal land and erodible land into pasture. Now they would like to be able to convert this pasture to trees in order to make additional money and to keep it in trees. For some of them, it was necessary to eliminate the livestock and so they do not have livestock and it is of very little use to them.

Two, we would like to see croplands classified as wetlands to come under the present Conservation Reserve Program. This is something relatively new. I understand that the Soil Conservation Service has come out with some figures that about 11 million acres in the United States is in the 4W and above classification. This cropland does not qualify, I understand, under the present Conservation Reserve Program. Most of the 4W, 5W, 6W, and 7W croplands are flooded each year and would best be suited to hardwood tree plantings. A large part of these lands were found in the South next to major rivers and tributaries. This proposed change would help increase tree planting under the Conservation Reserve Program and increase wildlife habitat and wetland restoration.

Three, increase establishment cost-share for planting trees, somewhat of an incentive if you will. As mentioned earlier in my statement, the Government is paying twice as much to farmers to establish grass rather than trees on CRP lands. As you know, the Government pays 50 percent of the establishment cost. If we increase this to 80 percent cost-share for trees, not to exceed \$50 per acre, to establish the land in trees, the cost would be less than establishing grass and would be a real incentive for farmers to plant trees. This would result in less land going back into production, as mentioned under my first recommendation.

Senator Fowler, we as members really appreciate what you and your subcommittee and others are doing in the Soil Conservation Reserve Program. We feel like that this has been an outstanding program and we applaud you and the committee for what they have done. Thank you very much.

[The prepared statement of B. Jack Warren follows:]

Statement to
Conservation and Forestry Subcommittee
Senate Agriculture Committee
Public Hearing - Macon, Georgia
by

B. Jack Warren
Executive Vice President
Forest Farmers Association
January 19, 1988

Senator Fowler and other committee members, my name is Jack Warren, executive vice president of Forest Farmers Association, an organization composed of private timberland owners concentrated in 15 southern states. Our association is headquartered in Atlanta, Georgia, and I appreciate the opportunity to testify at this hearing today.

My testimony is directed toward the Nunn-Fowler bill, to expand the Conservation Reserve Program (CRP). More specifically, I would like to address one of the major goals of the bill dealing with incentives to encourage the planting of trees under CRP.

The 1985 Farm Bill authorizes up to 45 million acres of highly erodible cropland under CRP to be planted in grass or trees. After five signups, some 23 million acres have been enrolled with some 1.25 million to be planted in trees (5.6 percent). Tree planting falls short of the projected goal of 12.5 percent of the total.

The 1985 bill has been very successful in reducing the cost to the federal government of support payments. I understand that CRP payments are costing approximately \$49 per acre per year, whereas corn deficiency payments alone average some \$134 per acre per year. The CRP will undoubtedly save the federal government millions of dollars in annual rental payments. Tree planting on CRP lands will save even more over planting grass cover.

I have been told that establishment cost to plant grass on CRP lands averages between \$100 to \$120 per acre. As you know, trees can be planted for one-half this cost and more than likely the land will stay in trees after the ten-year contract has expired. It is a fact that some 80 percent of the land planted to trees under the 1950s Soil Bank Program still remains in trees.

The Nunn-Fowler bill, to expand the CRP to provide for an additional 25 million acres and additional incentives to plant trees before the end of crop year 1988, is to be commended. Our association would support this expansion as long as the funds are provided under the Food Security Act rather than through the congressional budget. We certainly do not need any more programs that would increase the national debt.

Recent changes by the Secretary of Agriculture to enhance tree planting under the Conservation Reserve Program should increase farmers' interest in planting trees on highly erodible lands as opposed to grass. However, we are making further recommendations as incentives for landowners to plant trees on CRP lands which are as follows:

- 2 -

1. Convert highly erodible land planted in grass to trees. As a conservation measure, a number of farmers planted erodible cropland to grass before CRP was introduced. Now they would like to convert these pasture lands to trees under CRP. It was necessary to eliminate livestock on their farms because of economic reasons.

2. Croplands classified as wetlands. According to the Soil Conservation Service, there are some 11 million acres of cropland in the United States classified 4W and above. This cropland does not qualify under the present CRP. Most 4W, 5W, 6W and 7W croplands are flooded each year and would best be suited to hardwood tree plantings. A large part of these lands are found in the South next to major rivers and tributaries. This proposed change would help increase tree planting under CRP and increase wildlife habitat and wetland restoration.

3. Increase establishment cost-share for tree planting. As mentioned earlier in my statement, the government is paying twice as much to farmers to establish grass rather than trees on CRP lands. As you know, the government pays 50 percent of the cost, but if that was increased to 80 percent cost-share for trees, not to exceed \$50 per acre, the cost would be less than establishing grass and would be a real incentive for farmers to plant trees. This would result in less land going back into crop production, as mentioned under my first recommendation.

Our members appreciate what you and other members of Congress are doing to conserve soil and to remove unprofitable croplands from production. Especially do we appreciate your efforts to increase tree planting under the Conservation Reserve Program. Thank you again for this opportunity to testify.

Senator FOWLER. Jack, thank you very much. I am very interested in your recommendations, both number two and number three and comparing the tree plantings to the cost of grass.

One of the questions I wanted to ask you I think you have answered, one on the change in classifications, but any other—talk to me a minute, all of us, about any other financial, other kind of incentives, that would encourage hardwood planting.

Mr. WARREN. I think that the 80 percent establishment cost—it costs only a little bit more to plant hardwood trees anyway. It is very difficult, maybe John can give us some information on that, but this is land that is—for instance, next to the Mississippi River, I know of one area personally that was cleared, 1,500 acres that was cleared and put into soybeans. This land is flooded every other year and so the farmer is not able to make a crop every other year really. And he would like very much to put that back into trees and of course he can go to the expense of doing it himself but under the Soil Conservation Program the Government would encourage him even more to do this. And even at the 50 percent establishment cost, that would be better, but as I mentioned earlier, the 80 percent establishment cost would then be an incentive for the landowner to look at trees versus grass.

I know many of our members are farmers and even though they own a lot of timberland, just like C.M. Stripling here, but they indicate that when they go to sign up under the CRP Program at the ASCS office, they know very little about trees so they try to encourage them to put it in grass. So I think this would be an added incentive if they were to see that they could get a little bit more to establish that land into trees.

Senator FOWLER. What about from the international marketing perspective, export, if we went to allowing tree plantings on any kind of soil, under the program. What do you reckon that would do to the timber market? Would that be a major concern, Jack?

Mr. WARREN. It could be—it could be, but I do not think it will be because we are in the South in a deficit now. At some later date down the line, it may be, Senator, but here again we are looking at the chicken and egg effect. If we have the timber resource, then we will develop the markets to use that, not only as an export but internally as well. But from the export standpoint, I think we are doing a tremendous job now in this. I believe that we exported more wood products totally this past year than we have ever done before. So this is a market we could expand.

Senator FOWLER. Thank you so very much.

Mr. Dennis Dozier, from Camilla, welcome again.

STATEMENT OF DENNIS DOZIER, VICE PRESIDENT, PEAVY FARM SERVICE, INC., AGRIBUSINESSMAN, CAMILLA, GA

Mr. DOZIER. Thank you, Senator.

I want to say just a few words about my qualifications.

Senator FOWLER. I will bet it is good.

Mr. DOZIER. I have been the General Manager of Peavy Farm Service for 10 years. We are a local southwest Georgia retail fertilizer and grain company. I have a BS in economics from Georgia

Southern College and Lewis Grizzard would probably be proud to know that I have an MBA from the University of Georgia.

I picked up a magazine article this morning and was surprised to read something in the Georgia Forestry magazine. As you know C.M. Stripling, seated to my left, is the National Tree Farmer of the Year, and I would like to read one paragraph from that article, in all due respect to Mr. Stripling.

He sees the Camilla area in Georgia like many other places, as an area in transition, healthy transition. Stripling does not mourn the passing of a bygone era of farming romanticized as an American tradition. He sees a different perspective on agriculture emerging with a greening of Georgia in pine forests and cash crops. Stripling does not nostalgically grieve for a lost labor force removed from farming by technology.

Senator, needless to say, I do not agree with what I consider to be a radical viewpoint. I very much appreciate this opportunity to express my views on the conservation reserve, but before I talk about the conservation reserve, please allow me to say a few words about the 1985 farm act and the 0/92.

In Secretary of Agriculture Richard Lyng's year-end press conference, he emphasized the following:

Agricultural exports are recovering;

Crop surplus stocks are beginning to decline;

Farm income reached its fourth straight record year;

Farmland values are stabilizing and starting to rise; and

Farm debt dropped for the fourth straight year.

Yes, we agree that the 1985 farm act moves agriculture in the right direction. It is doing what it was intended to do—move prices down so that we can once again compete in the world market and at the same time provide support for farmers' incomes. But sometimes it seems that we cannot leave well enough alone.

I think most of us are aware that politics drives policy. Unfortunately, many times we find that crisis drives politics. A case in point is the 0/92. The 0/92 was dead in the Senate until the October 19 stock market crash. We have a 0/92 today because the USDA convinced Congress that the American taxpayer would save between \$300 and \$500 million. The fact of the matter is that the 0/92 could very well cost the American taxpayer hundreds of millions of dollars.

Senator, we must be careful when we accept without question some of these estimates from the USDA. You probably remember that during the 1985 farm bill debate, the 1985 farm act was projected to cost between \$30 and \$35 billion over the first 3 years. This estimate was later raised to \$53-\$55 billion. The first 3 years' actual cost will be closer to \$80 billion.

I have in my hand a 1988 Farm Program Analysis for one of my farmers in Mitchell County, Georgia. This analysis clearly shows that if the price of corn moves up in 1988, then the 0/92 will become more and more burdensome to the American taxpayer:

If the price of corn stays at depressed levels, then the 0/92 will save the taxpayer no money at all in direct payments to the farmer.

If the price of corn moves up 50 cents per bushel, then the 0/92 will cost the American taxpayer an additional \$13,000 in direct payments to this one 400 acre farmer.

And if the price of corn moves up \$1 per bushel, then the 0/92 will cost the American taxpayer an additional \$30,000 in direct payments to this one 400 acre farmer.

Does the American taxpayer realize that our government has told this 400 acre farmer that if he does not plant anything in 1988, then the taxpayer will guarantee direct payments of \$37,000? I think not. My analysis shows that the 0/92 is bad for the farmer, bad for the economy, and bad for the American taxpayer. Senator, I am of the opinion that the 0/92 is at best an ill-conceived notion.

Now, let me say a few words about the conservation reserve.

Senator FOWLER. Let me just comment that we will have a new Secretary of Agriculture in 1989. [Laughter.]

So maybe if you help us pick the right President you can be the candidate for the job. Now tell me a little bit about the conservation reserve.

Mr. DOZIER. The 1985 farm act set the conservation reserve at 45 million acres. I think we all agree that a limited conservation reserve is good for all of agriculture. Its purpose is to reduce the surplus of grain and at the same time take highly erodible land out of production.

Even though we are all in favor of the conservation reserve, we must remember two things:

First of all, this conservation reserve will cost the American taxpayer \$20 billion in direct payments to farmers over a 10-year time period.

Secondly, we must remember that this 45 million acres will not be planted to any crops for the next 10 years and if planted in pine trees will most likely stay out of production for the rest of our lifetimes.

Over the years, an acre of corn has been worth more to the rural economy of Georgia than an acre of pine trees. Why? Because the economic process of producing the corn and moving the corn from the field to the consumer sheds new wealth at every step along the way, and most importantly this flow of wealth is renewed each year.

I become very concerned when Congress proposes long-term solutions to a short-term problem. The current surplus of grain is a short-term problem. We should be careful when we attempt to reduce the surplus of grain with a 10-year conservation reserve. Instead, the conservation reserve's major focus should be on assisting farmers in conserving and improving the soil and water resources of their farms.

I do not believe that we need to make any additional changes in the Food Security Act of 1985. I ask that you not support Senator Nunn's proposed 20 million acre expansion of the conservation reserve.

In summary, I would like to say that the 1985 farm act is good legislation. I realize, as much as anyone, that from time to time set-asides are a necessity. But I also realize that if set-asides are carried to the extreme, then the very infrastructure of rural Georgia could be crippled. In just a few short years, the American farmer will once again be called upon to expand production in order to satisfy worldwide demand. If we continue to set-aside rural

America, then I am afraid that we may not be in the position to accept that challenge.

Thank you, Senator.

[The prepared statement of Dennis Dozier follows:]

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FERTILIZER • GRAIN

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January 19, 1988

Senator Wyche Fowler
1210 Longworth House Office Building
Washington, DC 20515

Dear Senator Fowler:

I very much appreciate this opportunity to express my views on the conservation reserve. But before I talk about the conservation reserve, please allow me to say a few words about the 1985 Farm Act and the 0/92.

In Secretary of Agriculture Richard Lyng's year-end press conference, he emphasized the following:

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Yes, we agree that the 1985 Farm Act moves agriculture in the right direction. It is doing what it was intended to do - move prices down so that we can once again compete in the world market and at the same time provide support for farmers' incomes. But sometimes it seems that we can't leave well enough alone.

I think most of us are aware that politics drives policy. Unfortunately, many times we find that crisis drives politics. A case in point is the 0/92. The 0/92 was dead in the Senate until the October 19th stock market crash. We have a 0/92 today because the USDA convinced Congress that the American Taxpayer would save between \$300 and \$500 million dollars. The fact of the matter is that the 0/92 could very well cost the American Taxpayer hundreds of millions of dollars.

Senator Wyche Fowler
January 19, 1988

page 2

Senator, we must be careful when we accept without question some of these estimates from the USDA. You probably remember that during the '85 farm bill debate, the 1985 Farm Act was projected to cost between \$30 and \$35 billion over the first three years. This estimate was later raised to \$53-\$55 billion dollars. The actual first three years' cost will be closer to \$80 billion.

I have in my hand a 1988 Farm Program Analysis for one of my farmers in Mitchell County, Georgia. This analysis clearly shows that if the price of corn moves up in 1988, then the 0/92 will become more and more burdensome to the American Taxpayer:

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- First of all, this conservation reserve will cost the American Taxpayer \$20 billion in direct payments to farmers over a ten year time period.
- Secondly, we must remember that this 45 million acres will not be planted to any crops for the next ten years and if planted in pine trees will most likely stay out of production for the rest of our lifetimes.

Senator Wyche Fowler
January 19, 1988

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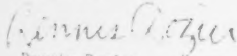
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In summary, I would like to say that the 1985 Farm Act is good legislation. I realize, as much as anyone, that from time to time setasides are a necessity. But I also realize that if setasides are carried to the extreme, then the very infrastructure of rural Georgia could be crippled. In just a few short years, the American Farmer will once again be called upon to expand production in order to satisfy worldwide demand. If we continue to setaside rural America, then I am afraid that we may not be in the position to accept that challenge.

Sincerely,



Dennis Dozier
Vice President

cc: Senator Nunn
DD:cj

Senator FOWLER. Well Mr. Dozier, thank you, and I am sincere. At least we can show the whole crowd that we have not stacked the deck and we are not all up here agreeing on the impact of either the cost or the result. But let me just say two things and then maybe we can have some correspondence because I am interested in your ideas and all of us are interested in saving money.

But our figures, certainly the latest figures that we have on the Conservation Reserve Program do differ from your estimates. The Department estimates that a 40 million acre reserve under CRP would have cost between \$5 and \$7 billion for the first 5 years, but that savings as a result of reduced Commodity Credit Corporation outlays would be almost \$8 billion over the same period; therefore, the net estimated savings over the 5-year plan would be \$2.9 billion. So there is a lot of room for discussion there.

And the other comment, I would just say personally to your analysis, which when I get the record I will examine closely, seems to me the major problem with the Federal Government is too many short-term solutions to long-term problems. And often politically we go for the quick fix rather than looking at how long it takes to grow a tree, for instance, and what our goals are both in conservation and timber production and the industries that are dependent upon it. And though I do not disagree totally across the board in your wanting to have—in your analysis of these long-term solutions to short-term problems, certainly in the CRP when you talk about growing trees and saving land that ought not to be planted and cultivated and could be used in the future if we handle it right now and save it and preserve it; then we have got to look longer down the road at some of these problems.

But I will look forward to specifics as we face these policies and these problems coming up.

Thank you.

We lost Mr. Stripling temporarily. I will let you come back because you were disagreed with too. That is what a public hearing is all about.

This will be another interesting perspective on the timber policies. Next we have Dr. Wilbur Dellinger who is the State Chairman of Quail Unlimited from Gainesville. Dr. Dellinger.

STATEMENT OF DR. WILBUR A. DELLINGER, STATE CHAIRMAN, QUAIL UNLIMITED, GAINESVILLE, GA

Dr. DELLINGER. Thank you, sir.

I will not go too much into my qualifications. I will say that I do——

Senator FOWLER. Pull that microphone up there real close to you and then we can hear you better.

Dr. DELLINGER. Is that better?

Senator FOWLER. Yes, sir. You know, you have got to learn to be on the radio all the time. Get it up there and make it sound like Frank Sinatra.

Dr. DELLINGER. I am afraid that would not work.

I do spay cats for a living, but folks what I do more than anything else is probably hunt. I spent a lot of time hunting or trying to raise funds so other people can hunt.

As far as the conservation reserve, I would like to give you my opinion as far as from a wildlife and a hunting point of view.

Senator FOWLER. Yes, sir.

Dr. DELLINGER. The Conservation Reserve Program I feel is a very good program, but I think that it should be modified slightly. That modification could have a tremendous positive impact on wildlife without affecting the end results of planted grassland or trees. The Conservation Reserve Program was designed to help prevent erosion of soil.

Life is a real delicate but complicated system composed of both plant and animal life that depends upon the soil. Man is the animal that keeps stirring it all up or rearranging it, sometimes without regard for anything but himself.

Wildlife, which includes both game and nongame species, does not belong specifically to the landowner. Wildlife belongs to the people. In order for future generations to be able to enjoy wildlife, either through hunting or just observation, there simply has to be some wildlife present.

We, as intelligent individuals, should not plant vast areas of a monoculture of a species that virtually prohibits the existence of the majority of wildlife. It should be a mandatory requirement that 1 to 5 percent of an area should be maintained as wildlife food habitat. These areas could be reseeding annuals, perennials, or fruit producing shrubs.

Limit the maximum acreage of pine stands in 1 block to 25 acres. These blocks should be separated with a 50-foot wide strip of wildlife food plots. The strips could be reseeding annuals, perennials, or fruit producing shrubs. Additional use of these strips would be for fire lanes or emergency roads. After the canopy of the pines have closed over, these strips would help maintain wildlife in numbers high enough to make the land suitable for leasing. This land could be leased to sportsmen, therefore increasing the value to the landowner. These strips could help hold wildlife in an area so that there would be a supply to replenish the area when timber or pulpwood is harvested, preventing an area from having to be restocked with trapped animals because it was void of suitable wildlife.

If you think the average landowner would include wildlife habitat in their planting program without it being mandatory, I bet you would leave the porch light on for Jimmy Hoffa!

People numbers are increasing every day, but land is remaining the same. Recreation land is free. Use of the extra land use because of the recreation value and landowners who permit hunting on their CRP land either through lease or a fee system, should be given an additional cash incentive. This payment would be in addition to that received from leases.

Conservation organizations such as Quail Unlimited could help on a local level. Administrative duties such as supplying personnel to help coordinate with the ASCS people in leasing of available land from the landowner to the hunter.

The wildlife program could be compared to an airplane with a 100-seat capacity and only 95 passengers. Wildlife food plots could fill those other five seats without bumping any of the passengers. The wildlife program should not take the place of the timber or the pulpwood. However, when we think of the future and how much

lumber we will need, let us remember that if you are going to have enough lumber to build a rabbit box, we need to have the rabbit to catch in it. [Laughter.]

Senator FOWLER. Well, I am glad to see that somebody still writes their own material. [Laughter.]

Dr. Dellinger, thank you for those fine suggestions. I will assume that what goes for the quail also goes for the turkey population.

Dr. DELLINGER. Absolutely, and others.

Senator FOWLER. We do have an awful lot of my colleagues in the Congress who would like to—and who propose to target all programs such as the CRP and others to family farmer size, which is of course the main size that we have in Georgia and the South, and not the big agriculture, where there would be more opportunities if we adopted your suggestion, certainly to preserve the wildlife population.

Let me ask you this because I was listening but I did not hear it. To what—I will go from preaching to meddling a little bit myself here—how do you in the diminishing quail population, how much of that do you attribute to pesticides and chemicals?

Dr. DELLINGER. Well, not pesticides so much—I mean that is part of the whole picture, but the main thing is just loss of habitat.

Senator FOWLER. From all things?

Dr. DELLINGER. From everything. There is no one simple thing.

Senator FOWLER. Do you have an extra copy of your prepared statement? You have real specific suggestions. Thank you, I appreciate that very much.

[The prepared statement of Dr. Dellinger follows:]

TESTIMONY OF

DR. WILBUR A. DELLINGER
State Chairman, Quail Unlimited

BEFORE THE
SUBCOMMITTEE ON CONSERVATION AND FORESTRY
JANUARY 19, 1988

The Conservation Reserve Program should be continued but modified slightly. That modification could have a tremendous positive impact on wildlife without affecting the end results of planted grassland or trees. The Conservation Reserve was designed to help prevent erosion of complicated system composed of both plant and animal life that is dependent upon the soil. Man is the animal that keeps stirring it all up without regards for anything but himself.

Wildlife, which includes both game and non-game species, does not belong specifically to the land owner. Wildlife belongs to the people. In order for future generations to be able to enjoy wildlife, either through hunting or just observation, there simply has to be some wildlife present.

We as intelligent individuals should not plant vast areas of a monoculture of a species that virtually prohibits the existence of the majority of wildlife. It should be a mandatory requirement that 1-5% of an area should be maintained as wildlife food habitat. These areas could be reseeding annuals, perennials or fruit producing shrubs.

Limit the maximum acreage of pine stands in one block to 25 acres. These blocks should be separated with a 50 feet wide strip of wildlife food plots. The strips could be reseeding annuals, perennials or fruit producing shrubs. Additional use of these strips would be firelanes or emergency roads. After the canopy of the pines have closed over, these strips would help maintain wildlife in numbers high enough to make the land suitable for leasing to sportsmen, therefore increasing the value to the landowner. These strips could help hold in an area so that there would be a supply to replenish the area when timber or pulp wood is harvested, preventing an area from having to be restocked with trapped animals because it was void of suitable wildlife.

If you think the average landowner would include wildlife habitat in their planting program without it being mandatory --I bet you would leave the porch light on for Jimmy Hoffa!

People numbers are increasing everyday but land is remaining the same. Recreation land is a premium. Due to extra land use because of the recreation value, a landowner who permits hunting of their CRP land either through lease or fee system should be given an additional cash incentive. This payment would be in addition to that received from leasing.

Conservation organizations such as Quail Unlimited could help on a local level. Administrative duties such as supplying personal to help coordinate with the ASCS people in leasing of available land from the landowner to the hunter.

The Wildlife Program could be compared to an airplane with a 100 seat capacity and only 95 passengers. Wildlife food plots could fill those other 5 seats without bumping any of the passengers. The wildlife program should not take the place of the timber or pulpwood. However when we think of the future and how much lumber we will need, let us remember if you are going to have enough lumber to build a rabbit box we need to have a rabbit to catch in it.

Senator FOWLER. We have about three more people on our formal panel and then we will allow others to ask questions of those that you have heard from as well as hear from the audience.

Welcome back, Mr. C.M. Stripling. Bob, come on up here and let us see who we have got left. I am sure most of you know Mr. Bob Nash, who is president of the Georgia Farm Bureau located here in Macon. We have Walter Evans who is the Chairman of the Forestry Bureau's Forestry Advisory Committee as well as being a member of the American Farm Bureau Advisory Committee from Screven County and who did I leave out—and Joe Kurz, who will have some ideas on game management. He is the Assistant Chief for Game Management of the Department of Natural Resources for the State.

Mr. Stripling, why do we not start with you and work backward and end up with Mr. Nash.

Pull that microphone to you. Again our congratulations to you on being the one man to win the National Tree Farmer of the Year award.

STATEMENT OF C.M. STRIPLING, AMERICAN TREE FARM SYSTEM, CAMILLA, GA

Mr. STRIPLING. Thank you, Senator Fowler.

I want to make a few remarks that are not in my prepared presentation. I want to congratulate you on being a consummate politician. Anybody that can win Fulton County and Mitchell County has got to be a good one. [Laughter.]

Senator FOWLER. In my own interest, I will not give you the reason.

Mr. STRIPLING. I know the reason. I reckon I will have to reply to my good friend Dennis. I did not quite expect this, but I think if Dennis will investigate me probably back when I was in high school, I have been known as a radical in a whole lot of things. I got so interested in being known as a radical that I looked it up. And you know what it means? It means different.

The first pine trees I planted were in 1956 and my father-in-law told me I was a damned fool. I am going to continue to be a damned fool right on down the line.

But I want to say one more thing concerning what we are paying for putting pine trees in now and what it was in 1956. In 1956 you could buy land where we live for \$40 an acre. At that time you got \$8 for 10 years, which gave you \$80. Now you have got—this last year I got \$45—this year I got \$45 an acre and land costs you from \$400 to \$600. So you have a difference there that I think you are going to have to deal with, because if you reduce the level of payment I think that will reduce the level of participation. This is my view.

I appreciate the opportunity to testify before you on the Conservation Reserve Program. I have been farming for 48 years and have participated in all kinds of farm programs and say unreservedly that the CRP of 1956-60, 1968 and the CRP Program in the 1985 farm bill are the best farm programs that have been introduced, and have had and will have the most far-reaching benefits

both to the participant and the U.S. Government. Some of the reasons that support this position are:

One, it gets land out of crop production and with trees or grass enhances the environment and the price of the land.

Two, it serves the same purpose as a savings account at a bank for the United States. If the land is needed in the future to produce food for our people, it can be brought out and put in crops in the space of 1 year and it will be a more fertile piece of land and produce better crops than when it was put in the CRP.

Three, it gives the farmer a stable source of income for 10 years—this he needs badly.

Four, it diversifies the farmer's operation.

Let me add something right here too that I think needs to be emphasized. I do not think anybody is saying put everything in the CRP. But I do think what I am saying and what everybody else is saying is put some land in it if you can. If you cannot put it in there, put some land in pine trees. Diversification is what we have got to have. We have got farmers that are going broke all over south Georgia trying to farm land and not making a profit. I say this unreservedly, that if they had had pine trees on their land that they could have went in there and cut, some of them would still have their land today and I feel that just as sure as I feel anything that I can feel.

Senator FOWLER. And you would reject those arguments of those who say that putting land into—taking the land out of production and putting it into pine trees hurts the economy of our smaller towns?

Mr. STRIPLING. Let me get to that. I am going to address that in just a few moments.

Senator FOWLER. Good.

Mr. STRIPLING. Five, land that is eroded or marginal and will not produce a profit at present day prices is what is being put in the CRP.

Six, if enough land is put into the CRP, crops produced on the remaining land should bring a decent price. And I think that all of us that farm are looking for this decent price.

Seven, if this land is put into trees it will furnish income at regular intervals for up to 30 years or until clearcut after the first 12 years of growth. This income of course benefits not only the tree farmer, but all businesses and citizens.

In the 1956-60 and 1968 Conservation Reserve Program we put some 450 acres in pines. Here are the results:

We have sold 14,109 cords of pulpwood and other products for the amount of \$270,913. We have onhand 300 acres of timber worth \$774,000 and 150 acres that was planted from 1980 to 1983 where CRP trees were clearcut, worth \$34,750. This comes to \$811,000. We feel that the expense incurred so far for the 28 years is \$63,000 and this is on the liberal side. This does not include the value of the land and does not include \$54,000 that was paid by the Government to put this land in the Conservation Reserve Program in the fifties and the sixties.

Let us take a look at what this program has done for the local, State, and national economy in our case. It has been estimated that every \$1 of stumpage value is worth \$14.20 to the economy. The

reference for this is the unpublished research by Dr. Dwight Hain of the U.S. Forestry Service. This means that the soil bank cuttings of \$270,913 was worth \$3,780,000 to the economy. If the other timber on this soil bank land was cut and sold today, you would be looking at \$11,364,500 boost to the economy. The real winner in this is the Nation's economy.

Let us take a look at the worth of the present soil bank program for the State of Georgia. For the five signups so far, there has been or are being planted 344,180 acres of pine seedlings. Let us assume that we are planting seedlings that are not improved (improved seedlings would be expected to increase the yields by 10 percent at no increase in cost). The average amount of cords to expect in Georgia would be 30.47 cords in 20 years. Let me elaborate on this a little bit. This is an average. In southwest Georgia, we can cut 50 cords of pulpwood in 20 years. So you can nearly double these figures in different parts of the State, this is an average, 38.48 cords in 25 years, and 44.95 cords in 30 years. This in turn, using the formula of \$14.20 to every \$1 in stumpage value would give the following stimulus to the economy in the future:

Trees clearcut at 20 years—\$4.1 billion;

Trees clearcut at 25 years—\$6.1 billion; and

Trees clearcut at 30 years—\$8.8 billion.

We used a price of \$28 for pulpwood and \$165 for sawtimber. This does not take in any kind of inflated price or anything, this is present day price.

In conclusion let me say this, Senator Nunn has asked for 15 million acres to be added to the already 45 million acres that was allocated in the 1985 farm bill. There is also a lot of work being done to lessen the restrictions on land that can go into the CRP. In southwest Georgia, we have a lot of land that is not erodible as such but is marginal to the extent that it is not profitable to row crop it. This kind of land should go into the CRP so that it can become an asset to the farmer and the Nation, instead of a liability.

Thank you.

Senator FOWLER. Thank you very much, Brother Stripling.

I think you answered that—I know you answered my earlier question but before I forget it, I know you—at least I am told that you have a sizable quail population on your farm. Have you noticed any increase in wildlife on your acreage since the Food Security Act of 1985?

Mr. STRIPLING. We had a good-sized quail population until they started planting a lot cotton around us. The more cotton you plant, I think the less quail we have. I imagine we have the least quail this year that we have ever had.

In my opinion and that is all it is, pesticides and chemicals are what are so hazardous to our—especially our quail population.

[The prepared statement of Mr. Stripling, with attachments, follow:]

American Tree Farm System

Please reply to
C.M. & Bernice Stripling
1987 National Outstanding Tree Farmers
Route 3, Box 294
Camilla, Georgia 31730
(912) 336-8973

Senator Fowler, Ladies and Gentlemen

I appreciate the opportunity to testify before you on the Conservation Reserve Program. I have been farming for 48 years and have participated in all kinds of farm programs and say unreservedly that the CRP of 1956-60, 1968 and the CRP program in the 1985 farm bill are the best farm programs that have been introduced, and have had and will have the most far reaching benefits both to the participant and the U. S. Government. Some of the reasons that support this position are:

1. It gets land out of crop production and with trees or grass enhances the environment and the price of the land.
2. It serves the same purpose as a savings account at a bank for the U. S.. If the land is needed in the future to produce food for our people, it can be brought out and put in crops in the space of one year and it will be a more fertile piece of land and produce better crops than when it was put in the CRP.
3. It gives the farmer a stable source of income for ten years-this he needs badly.
4. It diversifies the farmers operation.
5. Land that is eroded or marginal and will not produce a profit at present day prices is what is being put in CRP.
6. If enough land is put into the CRP, crops produced on the remaining land should bring a decent price.
7. If this land is put into trees it will furnish income at regular intervals for up to 30 years or until clearcut after the first 12 years of growth. This income of course benefits not only the tree farmer but all businesses and citizens.



THE SIGN OF GOOD FORESTRY

American Tree Farm System

Please reply to

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Trees clearcut at 30 years----- 8.8 billion dollars



THE SIGN OF GOOD FORESTRY

American Tree Farm System

Please reply to:

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In conclusion let me say this- Senator Nunn has asked for 15 million acres to be added to the already 45 million acres that was allocated in the 1985 Farm Bill. There is also a lot of work being done to lessen the restrictions on land that can go into the CFP. In Southwest Georgia we have a lot of land that is not erodible as such but is marginal to the extent that it is not profitable to rowcrop it. This kind of land should go into the CFP so that it can become an asset to the Farmer and the Nation instead of a liability.

C. M. Stripling

1987 National Outstanding Tree Farmer



THE SIGN OF GOOD FORESTRY

American Tree Farm System

Please reply to:

A conservative report of what the CRP means to the Georgia Farmer who has participated in the first five sign ups to put their land in timber and the economic benefits that will accrue to the economy of the State of Georgia and the Nation.



THE SIGN OF GOOD FORESTRY

WOODFLOW SUMMARY REPORT

STAND NAME: CAP
ACREAGE: 1

--STAND INVENTORY FOR 1987--

SITE INDEX(BASE AGE 25): 64 FEET
STAND AGE: 0 YEARS
SURVIVING # STEMS/ACRE: 660 AT AGE 10

* THIS IS A TYPICAL CONSERVATION RESERVE PROGRAM SITE WITH THE *
* MINIMUM AMOUNT OF SITE PREPARATION. IMPROVED SEEDLINGS WERE NOT *
* USED. USE OF GENETICALLY IMPROVED SEEDLINGS WOULD BE EXPECTED *
* TO INCREASE THE YIELDS BY 10 PER CENT AT NO INCREASE IN COST. *

OLD-FIELD SLASH PINE PLANTATION HARVESTING SCHEDULE

RESIDUAL COMPONENT											HARVESTED COMPONENT								
I	HARVEST YEAR	AGE	HEIGHT	FAI	THINNING	I	BASAL	NUMBER	M BOFT	NET	TOTAL	I	BASAL	NUMBER	M BOFT	NET	TOTAL	I	
I	NUMBER				CORPS METHOD	I	AREA	STEMS	SCRIBNER	CORDS	CORDS	I	AREA	STEMS	SCRIBNER	CCORDS	CORDS	I	
I						I						I						I	
I						I						I						I	
I	1	2002	15	45	1.3 LOW	I	77	288	.00	15.82	15.83	I	35	275	.00	4.31	4.31	I	
I						I						I						I	
I	2	2007	20	56	2.1 N/A	I			C L E A R - C U T			I	96	266	.21	25.44	26.16	I	
											---TOTALS ACRE								
											131						541		
																	.21		
																	29.76		
																	30.47		

FINANCIAL SUMMARY REPORT

** FINANCIAL PARAMETER DATA **

PLANNING HORIZON IS FROM 1987 TO 2008

MARGINAL FEDERAL TAX BRACKET= 0 % CAPITAL GAINS PROPORTION= 0 %
DISCOUNT RATE: BEFORE TAX= 7.0 % AFTER TAX= 7.0 %

"FULWOOD" "SAWTIMBER"
STUMPAGE PRICE/CORD= \$ 28.00 STUMPAGE PRICE/MBF= \$ 165.00
INFLATION RATE= 2 % INFLATION RATE= 3 %
MIN. COM. HARVEST= 3.0 CORDS/ACRE MIN. COM. HARVEST= 1.0 MBF/ACRE

** FINANCIAL PROFITABILITY ANALYSIS **

	(ADJUSTED FOR INFLATION)	
	BEFORE TAX	AFTER TAX
NET PRESENT WORTH	\$ 340.16	\$ 340.16
INTERNAL RATE OF RETURN	N/A	N/A
COMPOSITE RATE OF RETURN	N/A	N/A
ANNUAL EQUIVALENT VALUE	\$ 31.39	\$ 31.39
DISCOUNTED BENEFIT/COST RATIO	N/A	N/A

** CASH TRANSACTIONS **

(UNADJUSTED FOR INFLATION)

TYPE	FIRST YEAR	LAST YEAR	REPETITION	AMOUNT	INFLATION %	DESCRIPTION
TIMBER SALE CAPITAL GAINS INCOME	2002	2012	1	120.79	4	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2007	2007	1	732.40	4	CLEARCUT

* -INFLATION RATE IS COMPUTED AS COMPOSITE OF SPECIFIED SAWTIMBER AND FULWOOD INFLATION RATES ACCORDING TO PRODUCT MIX

--TOTAL NET CASH FLOW = \$ 953.19 (INCLUDES ALL CASH TRANSACTIONS BEFORE TAXES WITHIN PLANNING HORIZON)

TVA "YIELD" PROGRAM - VERSION 1.4

Benefit to Georgia's Economy

At 15 Years: \$120.79/Acre X 344,180 Acres X 14 = \$582,029,100

At 20 Years: \$732.40/Acre X 344,180 Acres X 14 = 3,529,084,000

Total \$4.1 Billion

 WOODFLOW SUMMARY REPORT

STAND NAME: CRP
 ACREAGE: 1

--STAND INVENTORY FOR 1987--

SITE INDEX (BASE AGE 25): 64 FEET
 STAND AGE: 0 YEARS
 SURVIVING # STEMS/ACRE: 680 AT AGE 0

 0
 * THIS IS A TYPICAL CONSERVATION RESERVE PROGRAM SITE WITH THE *
 * MINIMUM AMOUNT OF SITE PREPARATION. IMPROVED SEEDLINGS WERE NOT *
 * USED. USE OF GENETICALLY IMPROVED SEEDLINGS WOULD BE EXPECTED *
 * TO INCREASE THE YIELDS BY 10 PER CENT AT NO INCREASE IN COST. *
 0

OLDFIELD SLASH PINE PLANTATION
 HARVESTING SCHEDULE

RESIDUAL COMPONENT												HARVESTED COMPONENT							
I	HARVEST	YEAR	AGE	HEIGHT	FAT	THINNING	II	BASAL	NUMBER	M-BF	NET	TOTAL	I	BASAL	NUMBER	M-BF	NET	TOTAL	I
I	NUMBER						II	AREA	STEMS	SCRIBNER	CORDE	CORDE	I	AREA	STEMS	SCRIBNER	CORDE	CORDE	I
I							II						I						I
I	1	2002	15	45	1.3	LOW	II	77	288	.00	15.83	15.83	I	35	275	.00	4.31	4.31	I
I							II						I						I
I	2	2007	20	56	2.1	LOW	II	77	195	.21	20.79	21.50	I	19	71	.00	4.66	4.66	I
I							II						I						I
I	3	2012	25	64	1.6	N/A	II			C L E A R - C U T			I	91	181	2.45	21.91	24.51	I
													---TOTALS/ACRE						
													145 527 2.45 30.88 38.48						

FINANCIAL SUMMARY REPORT

** FINANCIAL PARAMETER DATA **

PLANNING HORIZON IS FROM 1987 TO 2013

MARGINAL FEDERAL TAX BRACKET= 0 % CAPITAL GAINS PROPORTION= 0 %
DISCOUNT RATE= BEFORE TAX= 7.0 % AFTER TAX= 7.0 %

"PULPWOOD" "SAWTIMBER"
STUMPAGE PRICE/CORD=\$ 28.00 STUMPAGE PRICE/MBF=\$ 165.00
INFLATION RATE= 2 % INFLATION RATE= 3 %
MIN. COM. HARVEST= 3.0 CORDS/ACRE MIN. COM. HARVEST= 1.0 MBF/ACRE

** FINANCIAL PROFITABILITY ANALYSIS **

	(ADJUSTED FOR INFLATION)	
	BEFORE TAX	AFTER TAX
NET PRESENT WORTH	\$ 450.17	\$ 450.17
INTERNAL RATE OF RETURN	N/A	N/A
COMPOSITE RATE OF RETURN	N/A	N/A
ANNUAL EQUIVALENT VALUE	\$ 38.07	\$ 38.07
DISCOUNTED BENEFIT/COST RATIO	N/A	N/A

** CASH TRANSACTIONS **

(UNADJUSTED FOR INFLATION)

TYPE	FIRST YEAR	LAST YEAR	REPETITION	AMOUNT	INFLATION %	DESCRIPTION
TIMBER SALE CAPITAL GAINS INCOME	2002	2002	1	121.79	*	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2007	2007	1	121.40	*	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2012	2012	1	1017.17	*	CLEARCUT

* -INFLATION RATE IS COMPUTED AS COMPOSITE OF SPECIFIED SAWTIMBER AND PULPWOOD INFLATION RATES ACCORDING TO PRODUCT MIX

--TOTAL NET CASH FLOW = \$ 1268.35 (INCLUDES ALL CASH TRANSACTIONS BEFORE TAXES WITHIN PLANNING HORIZON)

TVA "YIELD" PROGRAM - VERSION 1.4

Benefit to Georgia's Economy

At 15 Years:	\$120.79/Acre	X 344,180 Acres	X 14 =	\$582,029,100
At 20 Years:	130.40/Acre	X 344,180 Acres	X 14 =	628,335,000
At 25 Years:	1017.17/Acre	X 344,180 Acres	X 14 =	4,901,254,000
Total				\$6.1 Billion

WOODFLOW SUMMARY REPORT

STAND NAME: CRP
ACREAGE: 1

--STAND INVENTORY FOR 1987--

SITE INDEX(BASE AGE 25): 64 FEET
STAND AGE: 0 YEARS
SURVIVING # STEMS/ACRE: 680 AT AGE 0

D THIS IS A TYPICAL CONSERVATION RESERVE PROGRAM SITE WITH THE D
P MINIMUM AMOUNT OF SITE PREPARATION. IMPROVED SEEDLINGS WERE NOT P
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P TO INCREASE THE YIELDS BY 10 PER CENT AT NO INCREASE IN COST. P

OLDFIELD SLASH FINE PLANTATION
HARVESTING SCHEDULE

RESIDUAL COMPONENT											HARVESTED COMPONENT				
HARVEST YEAR	AGE	HEIGHT	PAI	THINNING	II BASAL	NUMBER	M-BQFT	NET	TOTAL	I BASAL	NUMBER	M-BQFT	NET	TOTAL	
NUMBER				COROS METHOD	II AREA	STEMS	SCRIBER	COROS	COROS	I AREA	STEMS	SCRIBER	COROS	COROS	
					II					I					
					II					I					
1	2002	15	45	1.3 LOW	II 77	288	.00	15.83	15.83	I 35	275	.00	4.31	4.31	
					II					I					
2	2007	20	56	2.1 LOW	II 77	195	.21	20.79	21.50	I 19	71	.00	4.66	4.66	
					II					I					
3	2012	25	64	1.6 LOW	II 77	148	2.45	17.60	25.20	I 14	33	.00	4.31	4.31	
					II					I					
4	2017	30	70	1.3 N/A	II		C L E A R - C U T			I 88	139	6.96	11.15	31.67	
---TOTALS/ACRE											156	517	6.96	24.43	44.95

FINANCIAL SUMMARY REPORT

FINANCIAL PARAMETER DATA

PLANNING HORIZON IS FROM 1987 TO 2018

MARGINAL FEDERAL TAX BRACKET= 0 % CAPITAL GAINS PROPORTION= 0 %
DISCOUNT RATE= BEFORE TAX= 7.0 % AFTER TAX= 7.0 %

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MIN. COM. HARVEST= 3.0 CORDS/ACRE MIN. COM. HARVEST= 1.0 MBF/ACRE

FINANCIAL PROFITABILITY ANALYSIS

	(ADJUSTED FOR INFLATION)	
	BEFORE TAX	AFTER TAX
NET PRESENT WORTH	\$ 585.88	\$ 585.88
INTERNAL RATE OF RETURN	N/A	N/A
COMPOSITE RATE OF RETURN	N/A	N/A
ANNUAL EQUIVALENT VALUE	\$ 46.75	\$ 46.75
DISCOUNTED BENEFIT/COST RATIO	N/A	N/A

CASH TRANSACTIONS

(UNADJUSTED FOR INFLATION)

TYPE	FIRST YEAR	LAST YEAR	REPETITION	AMOUNT	INFLATION %	DESCRIPTION
TIMBER SALE CAPITAL GAINS INCOME	2002	2012	1	161.79	*	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2007	2017	1	130.40	*	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2012	2012	1	120.40	*	THINNING
TIMBER SALE CAPITAL GAINS INCOME	2017	2017	1	1460.48	*	CLEARCUT

* INFLATION RATE IS COMPUTED AS COMPOSITE OF SPECIFIED SAWTIMBER AND FULFWOOD INFLATION RATES ACCORDING TO PRODUCT MIX

--TOTAL NET CASH FLOW = \$ 1622.27 (INCLUDES ALL CASH TRANSACTIONS BEFORE TAXES WITHIN PLANNING HORIZON)

TVA "YIELD" PROGRAM - VERSION 1.4

Benefit to Georgia's Economy

At 15 years =	\$120.79/Acre	X 344,180 Acres	X 14 =	\$582,029,100
At 20 Years =	130.40/Acre	X 344,180 Acres	X 14 =	628,335,000
At 25 Years =	120.60/Acre	X 344,180 Acres	X 14 =	581,113,600
At 30 Years =	1460.48/Acre	X 344,180 Acres	X 14 =	7,037,352,000
Total				\$8.2 Billion

Senator FOWLER. Thank you, sir, very, very much for your fine testimony.

Remaining on wildlife for a minute, next we have Mr. Joe Kurz, Assistant Chief for Game Management, Department of Natural Resources. Joe, welcome.

STATEMENT OF JOE KURZ, ASSISTANT CHIEF FOR GAME MANAGEMENT, DEPARTMENT OF NATURAL RESOURCES, STATE OF GEORGIA

Mr. KURZ. Thank you, Senator Fowler. I am not sure that I am going to be able to compete with Mr. Stripling and Dr. Dellinger as far as humoring remarks, but I will try to do my best.

We appreciate the opportunity to testify here at this hearing. We feel that the Food Security Act of 1985, better known as the farm bill, is probably one of the best Federal farm programs ever developed. Within the farm bill, the Conservation Reserve Program has accomplished more to put land back into wildlife habitat than probably any other provision within this bill.

As I am sure you are aware, Georgia is the fifth fastest growing State in the Nation. While this has had a terrific benefit to our economy here in the State, it has been detrimental to our wildlife resources.

Georgia is currently losing approximately 100,000 acres of wildlife habitat annually to development and to intensive agriculture. During the last 15 years, farmers, in an attempt to survive financially, have cleared many acres of land that is really marginal agricultural land. The CRP Program is returning many of these erodible acres of farmland back into productive timber and wildlife lands.

The Department of Natural Resources believes that all of the CRP practices are beneficial to wildlife, particularly the timber and wildlife options. Currently, of the 370,000 acres that are entered in the CRP Program in Georgia, about 2 percent have been signed into wildlife practices. Naturally we would prefer more landowners to select the wildlife option, even though all these options are good for wildlife, naturally the wildlife options are better. Realistically in the South, we realize that landowners are going to choose the timber option more than anything else. That is where the money is and we realize that. However, we wish to encourage all agencies, timber agencies, agricultural agencies as well as our own agency to promote the wildlife aspects of the CRP Program when they have the opportunity, particularly explaining and encouraging the financial opportunities available to farmers through wildlife.

Hunting leases have gone up dramatically in the last several years. We are now seeing some lands leasing for in excess of \$10 an acre for hunting rights. And when you consider leasing, it provides an awful good economic incentive to do a little bit for wildlife through the farm bill.

As Congress considers modifications to the farm bill, the Department of Natural Resources has several suggestions we would like to make to improve the CRP Program for wildlife.

We wholeheartedly support the proposal to reduce the erosion standards necessary for signing up the land in the CRP, thus in-

creasing the allowable acreage that qualify under this program. It is my understanding from what you said in your opening statement that that increased land would be dedicated to trees only. What I would like you to consider in subsequent revisions or modifications to the farm bill is possibly dedicating a portion of that land to wildlife practices (the CP4 and the CP12). What we suggest is somewhere around 5 to 10 percent of the increased acres be dedicated to wildlife practices. This would be similar to the current requirements that 12.5 percent of the land in the program be planted to trees. If this is not feasible, we would like Congress to consider either increasing the cost sharing rate for initial establishment of wildlife plots or increasing the annual payments for wildlife practices as an incentive to increase the percentage of lands now put into wildlife practices. As I mentioned here in Georgia, and I think it is pretty much the average in the South, that about 2 percent has been placed into wildlife practices.

As Congress deliberates on increasing the amount of allowable land within the program, there is some consideration of now allowing haying and grazing on CRP lands as a means to overall, to help reduce program costs. This is not a major problem in Georgia; however, in the West and Midwest it could really destroy wildlife benefits from the CRP Program. In that part of the Nation, there are limited nesting habitats for ground nesting birds; pheasants, quail, in some cases water fowl. In some cases the only nesting habitats available is in some of this CRP land that has been set aside. We recommend not allowing grazing or haying on CRP lands in the West. We are not making that recommendation for the South but for the West.

This agency would like Congress to consider allowing cost sharing, at least for the first time on annual plantings under CP12. CP12 is the annual planting for wildlife. Also within this practice, we would like to see soybeans to be allowed as far as part of the seed mixture. Naturally we would not want to see such a high percentage that there would be a temptation or an incentive to the farmer to combine the field, but at least allow some soybeans to be planted because it is such a beneficial plant for wildlife. We would also like to see, under CP12, limited shallow disking rather than requiring the farmer to go ahead and plant an actual crop. What this would do is encourage some of the native plants such as ragweed, a very valuable plant for quail, to come in and the farmer would not be obligated to have to spend that money for planting an actual crop. At the same time this would not increase erosion.

I would like to digress a little bit from the CRP Program and mention another aspect of the farm program if I may. We were very pleased that Congress recently passed and the President signed a provision to allow direct transfer of Farmers Home Administration lands to States for conservation purposes. The Department of Natural Resources over the next few months will be launching a very aggressive land acquisition program for wildlife and we will be approaching the Farmers Home Administration for some small tracts around metropolitan areas primarily for dove fields and small game hunting. So this is a real benefit to us and we really appreciate you doing that.

In closing, the Department of Natural Resources would like to compliment you, Representative Rowland, Senator Sam Nunn, all the other Members of Congress for doing an outstanding job in developing the farm bill. As I said initially, it is probably one of the most beneficial programs for farmers as well as our natural resources. We hope in the future as you search for ways to improve the farm bill, that you are ever mindful of the needs of wildlife conservation.

[The prepared statement of Mr. Kurz follows:]

Senate Hearing on Conservation Reserve Program
Conducted by Senator Wyche Fowler
Macon, Georgia
January 19, 1988

Presented by Joe Kurz
Georgia Department of Natural Resources
Game and Fish Division

Honorable Wyche Fowler:

The Georgia Department of Natural Resources considers the Food Security Act of 1985 (Farm Bill) to be one of the best federal farm programs ever developed. Within the "Farm Bill", the Conservation Reserve Program (CRP) has accomplished more to put land back into wildlife habitat than any other provision in the Bill.

As you are aware, Georgia's human population is the fifth fastest growing population in the nation. While this is a great benefit to Georgia's economy, it is detrimental to our wildlife resource.

Georgia is currently losing 100,000 acres of wildlife habitat annually to development and agriculture. During the last fifteen years the farmer, in an attempt to financially survive, converted many acres of prime wildlife lands into farmland. Much of these recently cleared fields are only marginally productive agricultural lands and often are highly erodible. The CRP program is returning many of these erodible acres of farmland back into productive timber and wildlife lands.

The Department of Natural Resources believes that all of the CRP practices are beneficial to wildlife, particularly the timber and wildlife options. Currently, of the 370,000 acres entered into the CRP program in Georgia, approximately 2% have been signed into wildlife practices. Naturally we would prefer more landowners to select the wildlife option. Realistically in the South, landowners are going to most often choose the timber options over wildlife and other practices. This is where the greatest economic returns are found. However we encourage all agencies involved in promoting the CRP program to advise landowners of the wildlife practices available within this bill and the financial opportunities through increased hunting lease fees.

As congress considers modifications to the "Farm Bill", the Department of Natural Resources has several suggestions that would improve the CRP for wildlife.

This agency supports proposals to reduce the erosion standards necessary for qualifying land, thus increasing the allowable acres that qualify for the program. We would like to see a required percentage for these increased acres to be dedicated to wildlife practices (CP4 and CP12). We suggest that 5% to 10% of the increased acres be dedicated to wildlife practices. This would be similar to the current requirement that 12.5% of the land in the program be planted to trees. If this is not feasible, then Congress could consider an increased cost-sharing rate

or an increased annual payment for wildlife practices as an incentive to increase the percent of lands placed in the wildlife practices.

As Congress deliberates increasing the amount of allowable lands within the program, there is some consideration of allowing haying and grazing on CRP lands to help reduce program costs. While this will not be a major problem in Georgia, it will destroy much of the wildlife benefits from CRP in the West and mid-West, where CRP lands are providing much of the nesting habitat for ground nesting birds, such as pheasants. We recommend not allowing grazing or haying on CRP lands for lands in the West.

This agency would like Congress to consider allowing cost sharing, at least for the first time on annual plantings under CP12. Also within this practice, we would like soybeans to be allowable as part of the seed mixture. Naturally the percentage of soybeans in the seed mixture should be small enough to preclude harvesting of the fields. We would also like to see, on small acreages (less than three acres), limited shallow disking allowed within CP12 practices. This would allow the farmer to make use of volunteer natural vegetation so often beneficial to wildlife, while not increasing any damage through erosion.

We were very pleased that Congress recently passed legislation which allows the Farm Home Administration to directly transfer surplus inventory lands to states. As the Department of Natural Resources, over the next

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year, launches into an aggressive land acquisition program, we will be approaching FmHA on possible land transfers.

In closing, the Department of Natural Resources compliments you and other members of Congress in developing one of the most outstanding pieces of legislation for benefiting farmers and our natural resources. We hope as you search for ways to improve the Farm Bill that you are ever mindful of the need for wildlife conservation.

Senator FOWLER. Joe, I appreciate that, not only your specific suggestions which I hope you will send something in if you have got an extra copy, but also I would like to go further and that is that any proposal that you and your colleagues at the Bureau of Natural Resources could draft that would increase the wildlife potential on CRP lands would be very welcome for our consideration. We are all trying—we would all like to—as well as you, Dr. Delinger—any specifics because these questions should be under review every year and will be and that is an additional objective that has been neglected.

What is the difference—how do you describe or evaluate the effect on wildlife in planting hardwoods rather than pine trees?

Mr. KURZ. Well of course, as I am sure you are aware, an awful lot of species of wildlife are dependent on the hardwood mass, acorns, even things like sweetgum mass, which is not very significant. There is a lot of good food plants that come out of hardwood. So therefore, we feel like it is a very important component of a timber stand. Overall, if you were going to put a percentage on it, I would say somewhere around 10-15 percent of a particular stand ought to be in hardwoods.

Senator FOWLER. You have heard me describe the new filter strip, which by the way was initiated last year, year before last in a bill by Senator Lugar of Indiana. How helpful will that be in controlling the pesticide problem and helping the wildlife?

Mr. KURZ. I imagine it would be of benefit. Mr. Stripling mentioned the cotton problem and some pesticide problems there. There is no doubt that pesticides are a real problem to a lot of wildlife species.

Senator FOWLER. There is no doubt in your mind that the filter would at least certainly help.

Mr. KURZ. Oh, yes, particularly the fish population.

Senator FOWLER. Good. Well you said it well, thank you for your testimony, very, very much.

Two gentlemen here from—we will go next to Mr. Bob Nash, president of the Georgia Farm Bureau in Macon. Welcome, Bob.

STATEMENT OF ROBERT L. NASH, PRESIDENT, GEORGIA FARM BUREAU FEDERATION

Mr. NASH. Senator Fowler, we appreciate your holding this hearing to review the CRP Program and to discuss the problems. Had I realized that we were going to get into so many different areas, I probably would have designed my remarks a little bit differently. I noticed the gentlemen from the wildlife area did not mention deer and some other things, other animals that have become quite a problem for us in farming in the State of Georgia because they are eating more of our crops than we can produce. And those of you that are near some of these areas will find right readily, you had just as well get out of farming because they are going to eat up your crops. So there is a difference of opinion of the benefits or the cost of trying to farm next to some of these reserves that are being developed. For example, I have a wooded area owned by a timber company next to my farm. It is leased to hunters and those hunters hunt 2 or 3 days out of the year. I feed their deer 365 days a year

in my pasture and they enjoy hunting them 2 or 3 days out there. So there is a conflict of interest sometimes in overdoing certain things in the interest of agriculture. So I would urge you to measure these issues as to the benefits and who benefits from some of them.

I think farmers are as much conservation minded as you can find and they want wildlife; but there is a limit of what we can stand and still maintain farming operations in an area. So I just felt like I needed, on behalf of the farmers, to tell you how many millions and millions of dollars are lost in this State to wildlife from areas that are not feeding those animals, they are grazing upon the crops of farmers in adjoining areas. And so I felt like I needed to make those remarks ahead of time.

Senator FOWLER. I think we are going to have a balanced record by the time the day is over. [Laughter.]

Mr. NASH. One other issue I would like to make, to urge you in the programs, we get into the CRP Program and at the same time we are urging to cut down money spent through the ASCS program to assist farmers in establishing timber back on the land where they have cut timber off or, as has been mentioned here earlier by two of the speakers, that the use of marginal grassland which should be perhaps allowed to be in timber, that those farmers have not been on the dole of the Government through all these years and they are getting less and less help out of it and are being held in competition to them trying to replant their own forestlands that has been cut over or perhaps some of their marginal grasslands, are getting no help if you cut out those programs that are available in very minute amounts in the ASCS program. So we would urge you not to cut that out to those farmers who do not qualify under the CRP Program.

Senator FOWLER. Well let me ask you there—well I was about to say young farmers, but I guess all farmers—the younger farmers as I go around the State holding my meetings, Bob, I know you have been to and are familiar with, we have heard that a lot of younger farmers are finding it hard to find land to rent. Is that because—do you feel that is partly because of CRP?

Mr. NASH. I do not think the CRP Program is necessarily affecting that part of it unless it makes the opportunity for the landowner to go this route with his land rather than renting it.

Senator FOWLER. Well, put another way, as a farmer yourself but also as president of the Farm Bureau, is it your opinion that we are taking—under the current policies that we are taking too much land out of production?

Mr. NASH. No, I do not believe we are, because as long as we stay with that marginal land—and I think the marginal land can be, not just the highly erodible land, but truly marginal land that the soil has been eroded off of it through the years or taken off in crops that—as has been suggested here today, some of that land would be better interest for the farmer to be able to put part of that land in trees or in grass through the program, rather than being kept out of the program and others having the benefit because they have farmed it and had it in cultivation. So I think there needs to be some modification in the program to allow some additional lands that fit certain regulations, to come into it because they basically

should not be in production of agriculture row crop type farming, they should be in grass or in trees or something like that. But they are prevented because they do not qualify.

Senator FOWLER. I understand.

Mr. NASH. OK, I will get back to the subject today, the CRP.

We feel that the CRP is one of the most positive portions of the 1985 farm bill and that the CRP is moving toward its original goal of reducing soil erosion in the United States while also reducing surplus commodity production.

Our organization has been concerned in the past over a very low sign-up for acreage for trees because of the strict eligibility requirements. We are pleased to see the changes recently released by the USDA to encourage more tree planting. The planting of trees not only has the effect of reducing soil erosion and reducing surplus commodity production, but also provides over the long-run a stable income for Georgia farmers.

The Georgia Farm Bureau supports the legislation in Senate bill 1521 and H.R. 3352, which has been introduced in the U.S. Senate by Senator Nunn and yourself [Senator Fowler] and in the House by Congressman Hatcher and others, to expand the CRP Program. We support the goals of this legislation which are to expand the reserve to 65 million acres by 1990 and to provide farmers with new incentives and options for enrollment of land in the reserve. We do have some reservations concerning the provision of S. 1521 and H.R. 3352 that would allow land being held in financial institutions' inventory to be enrolled in the CRP Program. We think this program was designed to help the farmers, not help the institutions and all that might be holding that land for other purposes, to allow them to put it in it. The concept of protecting the land from erosion is good, but the enabling legislation should be cautious not to open the program for speculation.

We also believe that CRP is a very cost-effective program as compared with the huge Government expenditures made through the commodity programs. We urge you to support the expansion of the program through the pending legislation.

Georgia Farm Bureau would oppose, however, any amendments to the program which would create permanent easements on enrolled acres or would require the property to be open for public use. We feel like it is private land in the program and those land-owners should have the opportunity to say how that land is used in the future.

Senator FOWLER. What about a permanent easement on marginal, wetlands, marshlands, as a debt retirement in order to save the land?

Mr. NASH. Well Senator, I think we can let this program get just like we have done some of our other farm programs, it can become a free gift for too many people if you put too much out there for too long. And I think they have got to finance their debt on their own on some of these things.

Yes, the help of getting that marginal land out, we need the wetlands, those kind of things we need to protect, but let us not just make the bill where it runs on and on and on as a financial requirement from the Government to pay for it. I just do not believe that is what the farmers really want and you will find the possibili-

ty of some people, landowners who would be financially strong enough to use this as a program to protect their financial exposure as far as maintaining the ownership of that land while other farmers are out there struggling trying to make a go of it and have no opportunity whatsoever to get any help because——

Senator FOWLER. Bob, since—I know you will forgive me, we know each other—since I have interrupted you, let me say this. The Farmers Home Administration now has a program where you can put pine—you can go into pine trees as a way of debt retirement.

Mr. NASH. On a portion of your farm.

Senator FOWLER. On a portion of your farm. Do you know of many or any farmers who are taking advantage of that?

Mr. NASH. Well I do not know for sure what it is. I do know a few of them that did. I talked to Max Herndon who is State Director on this thing——

Senator FOWLER. So everybody knows what we are talking about, a lot of people know probably more—you have to be delinquent with the Farmers Home Administration to qualify for this program, but if you are delinquent, you can as part of reducing that delinquency, put pine trees in the CRP.

Mr. NASH. And it would not have to be your highly erodible land altogether in that program.

Senator FOWLER. Do you know, Brother Stripling or anybody?

Mr. STRIPLING. This is a program, you know, that back in 1984 that we pressed those points because we felt and we came up with some pretty good answers to it, that it could have saved a lot of farms that have gone under. We worked this out and sent it in and I heard that they passed it in the Senate and the House and sent it to Block. Block said he was going to wait 6 months and he waited 6 months and he was gone and I do not think it ever really got put into effect.

Senator FOWLER. Well I think—and somebody correct me, we have probably got somebody from Farmers Home here—I think it is in the law.

Mr. NASH. It is in the regulations, I know that.

Senator FOWLER. Yeah, but I just did not—of all the mail and conversations that I have had with farmers in trouble, I have not heard—nobody has told me they used the program.

Mr. NASH. In the reorganization plan, as I understand it from Max and them, they are allowing or urging some of those farmers to do a portion of their farms in this program. So I think it will be, but again, they have to do it subject to that reorganization.

Senator FOWLER. Right, right. Well let me let you finish because we want to get some questions from the audience.

Mr. NASH. OK. I am winding down right now because I think that we need to hear from Walter Evans from Screven County, who is a timber farmer as well as farming other commodities, but he is also, as you mentioned, chairman of our Forestry Committee and chairman of the American Farm Bureau Forestry Committee this year. So I would like for him to comment on his views on the CRP Program.

Senator FOWLER. Last but not least, Mr. Evans. Thank you for your patience and welcome. I will, as you start—I just got a note

that we have over 400 people here today, not only this room full but a room in the back, and they are only hearing us by the miracle of radio as they used to say. So pull the microphone close to you, Mr. Evans, so the people that are not in the room can hear your testimony.

STATEMENT OF WALTER EVANS, CHAIRMAN OF GEORGIA FARM BUREAU FORESTRY ADVISORY COMMITTEE AND CHAIRMAN OF AMERICAN FARM BUREAU ADVISORY COMMITTEE, SCREVEN COUNTY, GA

Mr. EVANS. Thank you, Bob and Senator Fowler. I appreciate the opportunity to comment on the CRP, a program which I also believe is governmentally cost-efficient and directly beneficial to all the agricultural sector.

When the first few CRP signups took place, many farmers with highly erodible land found themselves ineligible for this program because of the inability of their soil to qualify at 3T—three times the soil tolerance—rates. Some landowners applied and were found ineligible because they had such a small amount of 3T soils on their land, but not enough to be accepted in the program. Georgia Farm Bureau, as well as many other organizations, agencies, and individuals have encouraged relaxation of these rules to encourage more land to be taken out of production and into the CRP Program and especially to encourage more planting of trees.

Approval has recently been given, as you have already alluded to in your opening statement, by the USDA and the OMB for changes in these regulations to enhance tree planting. Under an administrative change, cropland in land capability classes 2 through 5 is eligible if eroding at 2T if it is planted to trees. Under a change to the rule, now only one-third of the field needs to be highly erodible to be eligible to include the entire field to be planted to trees. Previously it was two-thirds of the field was required. These changes should help tremendously in encouraging more tree planting.

Senator Fowler, as chairman of the Subcommittee on Conservation and Forestry of the Senate Agriculture Committee, we hope that you will support the bill that Senator Nunn has co-chaired to expand the CRP Program. The program is working well and will work better with the administrative changes we have mentioned here this afternoon.

However, Senate bill 1521 will have greater impact on the program by expanding the CRP land acreage to 65 million acres. This legislation would give more opportunities for farmers to stop producing surplus commodities and provide more incentives for increasing tree planting which will help decrease future timber shortages in this State and in the United States. In addition, this bill would require the Department of Agriculture to offer whatever incentives are needed to meet the 65 million acre requirement. Incentives such as cash or in-kind payments for up to 50 percent of the total rental payments, bonus payments for permanently retired land, and allowances for commercial use of reserve land used for recreational purposes, and this has been talked about a good bit this afternoon. We would certainly encourage enrollment in the CRP Program.

In conclusion, we believe that the CRP is a highly successful part of the 1985 farm bill and provides many positive alternatives for our farmers. By the reduction of soil erosion and production of surplus commodities, and by encouraging the planting of trees, the program is helping return agriculture to a sound financial footing. And I think this is one of the great abilities of the CRP Program. According to a press release from Congressman Hatcher's office, the Federal Government is projected to save \$578 million during the CRP's 10-year lifespan. These savings reflect the difference in the cost of CRP payments and the cost of the commodity program payments that would have been made during this same period. As production of commodities drops on these lands, commodity prices should rise and thereby projecting increased profits to farmers by \$2.3 billion by 1990. In a time of ever-increasing budget problems, these figures certainly cannot be ignored.

The Georgia Farm Bureau stands ready to assist you in your efforts to strengthen the agricultural economy.

Thank you.

Senator FOWLER. Mr. Evans, thank you and also thank you for a first which I will report to Congressman Hatcher. That is the first time I have ever heard a politician's press release actually quoted.

[The joint prepared statement of Mr. Nash and Mr. Evans follows:]

STATEMENT OF ROBERT L. NASH
PRESIDENT - GEORGIA FARM BUREAU FEDERATION
AND WALTER EVANS - GFB AND AFB FORESTRY ADVISORY COMMITTEES
FOR
HEARING ON THE CONSERVATION RESERVE PROGRAM
HELD BY SENATOR WYCHE FOWLER
JANUARY 19, 1988

SENATOR FOWLER, WE THANK YOU FOR HOLDING THIS HEARING TODAY TO REVIEW THE CONSERVATION RESERVE PROGRAM (CRP) AND APPRECIATE THE OPPORTUNITY TO DISCUSS THIS PROGRAM. WE FEEL THAT THE CRP IS ONE OF THE MOST POSITIVE PORTIONS OF THE 1985 FARM BILL. THE CRP IS MOVING TOWARDS ITS ORIGINAL GOAL OF REDUCING SOIL EROSION IN THE U.S. WHILE ALSO REDUCING SURPLUS COMMODITY PRODUCTION.

OUR ORGANIZATION HAS BEEN CONCERNED IN THE PAST OVER A VERY LOW SIGN-UP FOR ACREAGE FOR TREES BECAUSE OF STRICT ELGIBILITY REQUIREMENTS. WE ARE PLEASED TO SEE THE CHANGES RECENTLY RELEASED BY USDA TO ENCOURAGE MORE TREE PLANTING. THE PLANTING OF TREES NOT ONLY HAS THE EFFECT OF REDUCING SOIL EROSION AND REDUCING SURPLUS COMMODITY PRODUCTION BUT ALSO PROVIDES OVER THE LONG-RUN A STABLE INCOME FOR GEORGIA FARMERS.

THE GEORGIA FARM BUREAU SUPPORTS LEGISLATION (S. 1521 AND H.R. 3352) WHICH HAS BEEN INTRODUCED IN THE U.S. SENATE BY SENATOR SAM NUNN AND IN THE U.S. HOUSE BY CONGRESSMAN CHARLES HATCHER TO EXPAND THE CRP. WE SUPPORT THE GOALS OF THIS LEGISLATION WHICH ARE TO EXPAND THE RESERVE TO 65 MILLION ACRES BY 1990 AND TO PROVIDE FARMERS NEW INCENTIVES AND OPTIONS FOR THE ENROLLMENT OF LAND IN THE RESERVE. WE DO HAVE SOME RESERVATIONS CONCERNING THE PROVISION OF S. 1521 AND H.R. 3352 THAT WOULD ALLOW LAND BEING HELD IN FINANCIAL INSTITUTIONS' INVENTORY TO BE ENROLLED IN THE CRP. THE CONCEPT OF PROTECTING THE LAND FROM EROSION

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IS GOOD, BUT THE ENABLING LEGISLATION SHOULD BE CAUTIOUS NOT TO OPEN THE PROGRAM FOR SPECULATION.

WE ALSO BELIEVE THAT THE CRP IS A VERY COST-EFFECTIVE PROGRAM AS COMPARED WITH THE HUGE GOVERNMENT EXPENDITURES MADE THROUGH THE COMMODITY PROGRAMS. WE URGE YOU TO SUPPORT EXPANSION OF THE PROGRAM THROUGH THE PENDING LEGISLATION.

GEORGIA FARM BUREAU WOULD OPPOSE, HOWEVER, ANY AMENDMENTS TO THE PROGRAM WHICH WOULD CREATE PERMANENT EASEMENTS ON ENROLLED ACRES OR WOULD REQUIRE THE PROPERTY TO BE OPEN FOR PUBLIC USE.

MR. WALTER EVANS FROM SCREVEN COUNTY, A TIMBER FARMER, WHO IS CHAIRMAN OF THE GEORGIA FARM BUREAU FORESTRY ADVISORY COMMITTEE AND CHAIRMAN OF THE AMERICAN FARM BUREAU FORESTRY ADVISORY COMMITTEE, WILL ALSO COMMENT ON THE CRP.

THANK YOU MR. NASH. SENATOR FOWLER, I APPRECIATE THE OPPORTUNITY TO COMMENT ON THE CRP, A PROGRAM WHICH I ALSO BELIEVE IS GOVERNMENTALLY COST-EFFECTIVE AND DIRECTLY BENEFITS THE AGRICULTURAL SECTOR.

WHEN THE FIRST FEW CRP SIGN-UPS TOOK PLACE, MANY FARMERS WITH HIGHLY ERODIBLE LAND FOUND THEMSELVES INELIGIBLE FOR THE PROGRAM BECAUSE OF THE INABILITY OF THEIR SOIL TO QUALIFY AT 3T (3 TIMES THE SOIL TOLERANCE) RATES. SOME LANDOWNERS APPLIED AND WERE FOUND INELIGIBLE BECAUSE THEY HAD A SMALL PORTION OF 3T SOILS, BUT NOT ENOUGH TO BE ACCEPTED INTO THE PROGRAM. GEORGIA FARM BUREAU, AS WELL AS MANY OTHER

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ORGANIZATIONS, AGENCIES AND INDIVIDUALS ENCOURAGED RELAXING OF THE RULES TO ENCOURAGE MORE LAND TO BE TAKEN OUT OF PRODUCTION AND INTO THE CRP, SPECIFICALLY TO ENCOURAGE MORE TREE PLANTING.

APPROVAL HAS RECENTLY BEEN GIVEN BY USDA AND OMB FOR CHANGES IN THE REGULATIONS TO ENHANCE TREE PLANTING. UNDER AN ADMINISTRATIVE CHANGE, CROPLAND IN LAND CAPABILITY CLASSES 2 THROUGH 5 IS ELIGIBLE IF ERODING AT 2T AND PLANTED TO TREES. UNDER A CHANGE TO THE RULE, NOW ONLY ONE THIRD OF THE FIELD NEEDS TO BE HIGHLY ERODIBLE TO BE ELIGIBLE IF THE PRODUCER AGREES TO PLANT TREES AS OPPOSED TO THE PREVIOUS TWO-THIRDS REQUIREMENT. THESE CHANGES SHOULD HELP TREMENDOUSLY IN ENCOURAGING MORE TREE PLANTING.

SENATOR FOWLER, AS CHAIRMAN OF THE CONSERVATION AND FORESTRY SUBCOMMITTEE OF THE SENATE AGRICULTURE COMMITTEE, WE HOPE THAT YOU WILL SUPPORT SENATOR NUNN'S BILL TO EXPAND THE CRP. THE PROGRAM IS WORKING WELL AND WILL WORK BETTER WITH THE ADMINISTRATIVE CHANGES THAT I HAVE MENTIONED.

HOWEVER, SENATE BILL 1521 WILL HAVE GREATER IMPACT ON THIS INNOVATIVE, PROGRESSIVE PROGRAM BY EXPANDING THE CRP TO 65 MILLION ACRES. THIS LEGISLATION WOULD GIVE MORE OPPORTUNITIES FOR FARMERS TO STOP PRODUCING SURPLUS COMMODITIES AND PROVIDE MORE INCENTIVES FOR INCREASING TREE PLANTING WHICH WILL HELP DECREASE FUTURE TIMBER SHORTAGES. IN ADDITION, THIS BILL WOULD REQUIRE THE DEPARTMENT OF AGRICULTURE TO OFFER WHATEVER INCENTIVES ARE NECESSARY TO MEET THE 65 MILLION ACRE REQUIREMENT. INCENTIVES SUCH AS CASH OR IN KIND PAYMENTS FOR UP TO 50

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PERCENT OF THE TOTAL RENTAL PAYMENTS, BONUS PAYMENTS FOR PERMANENTLY RETIRED LAND, AND ALLOWANCES FOR COMMERCIAL USE OF RESERVE LAND USED FOR RECREATIONAL PURPOSES, WOULD FURTHER ENCOURAGE ENROLLMENT IN THE CRP.

IN CONCLUSION, WE BELIEVE THAT THE CRP IS A HIGHLY SUCCESSFUL PART OF THE 1985 FARM BILL AND PROVIDES MANY POSITIVE ALTERNATIVES FOR FARMERS. BY THE REDUCTION OF SOIL EROSION AND PRODUCTION OF SURPLUS COMMODITIES, AND BY ENCOURAGING THE PLANTING OF TREES, THE PROGRAM IS HELPING RETURN AGRICULTURE TO A SOUNDER FINANCIAL FOOTING. ACCORDING TO A PRESS RELEASE FROM CONGRESSMAN HATCHER'S OFFICE, THE FEDERAL GOVERNMENT IS PROJECTED TO SAVE \$578 MILLION DURING THE CRP'S 10 YEAR LIFESPAN. THESE SAVINGS REFLECT THE DIFFERENCE IN THE COSTS OF CRP PAYMENTS AND THE COSTS OF THE COMMODITY PROGRAM PAYMENTS THAT WOULD HAVE BEEN MADE DURING THIS PERIOD. AS PRODUCTION OF COMMODITIES DROPS ON THESE LANDS, COMMODITY PRICES SHOULD RISE, THEREBY PROJECTING INCREASED PROFITS TO FARMERS BY \$2.3 BILLION BY 1990. IN A TIME OF EVER-INCREASING BUDGET PROBLEMS, THESE FIGURES CANNOT BE IGNORED.

THE GEORGIA FARM BUREAU STANDS READY TO ASSIST YOU IN YOUR EFFORTS TO STRENGTHEN THE AGRICULTURAL ECONOMY.

Senator FOWLER. I am sure we are all deeply appreciative.

Let me ask you both for Screven County and also Mr. Stripling again, in your opinion at what level of payments would farmers stop planting trees and put acreage back into production?

Mr. EVANS. I would like to respond to your question. I believe, as has already been stated here this afternoon, if you drop it much below the \$45 cutoff level that we have now, you are going to turn a lot of farmers away. A lot of them are going to try to farm that land right on, hoping they will get better prices. But I believe we are going to have to keep it at that because most people have obligations, debt on the land and so on and so forth and they are going to have to have a certain amount to be encouraged—that certain amount I will say, to be encouraged. I do not believe you could drop it much below that point and get much land in.

I think in the beginning the ones that could sign up for less did bid less and got their land in, but now I see in our area especially, the ones that are bidding are bidding close to that price.

Senator FOWLER. C.M.

Mr. STRIPLING. I agree with Mr. Walter on that. I would hate to see it go below \$45. Even at \$35 I think that you would get a pretty good sign-up to start with on these people that really want to put it in, but then I think it would dry up. I would hate to see it go below \$40.

Senator FOWLER. Well that is our battle, as we said earlier, for all the reasons that you have read in your statement and it all has to do with our deficits.

Mr. STRIPLING. Senator, let me just say one thing about our wildlife and what we do on our farm. On all of our fire lanes every winter we put some kind of green grazing—not grazing but wheat or either rye or something like that. Then when the summer times comes we plow up half of that fire lane and keep half. And this is the way we are doing to keep—we cannot—in southwest Georgia, growing hardwood timbers is just about a no-no except bottom land and we have to do fire lanes. But that is what we do for our bird feed. Then we go in there on the land after the wheat and rye has matured and falls on the ground with a two-row no-till planter and put in quail feed, things like that. This is the way we solve our wildlife problem. Thank you.

Senator FOWLER. Thank you. Bob, do you want to comment?

Mr. NASH. Go ahead.

Senator FOWLER. I just wanted to know whether or not in Screven, whether anybody is accused—you have heard talk that taking large—same question I asked earlier, taking large tracts of land out of production is hurting the local economy.

Mr. EVANS. We have one representative from Screven County here this afternoon and this is one of the things that he was concerned about. Screven County has signed up a number of acres, large number of acres, but I still feel like that the land that is left is land that we need to keep in crop production. We still have some sandy land in our section, we have some that is closer to Atlanta than it is to the clay in our section.

But the only other thing I would ask is some relaxation on the regulations to get some of this deep sand soil that is level, that

does not have the erodible factor, but at the same time it is highly marginal land.

Senator FOWLER. Right. Well that is of course one of the big changes in these rules. We are getting level land down below Macon now for the first time, and not land that has got the natural tilt.

Bob.

Mr. NASH. Senator, I hope you will check that a little bit closer because that is really not going to happen. If it is level and all, our erosion situation here is not going to make that land eligible because it will not have enough slope to it. If it was out West where the wind is blowing, it would make it qualified because of the wind erosion, but I think we need to—that has been one of our problems. We still are not getting some of that land qualified, even under this change I do not believe some of it will be qualified.

Senator FOWLER. Well all of it will not be qualified but some of it will be.

Mr. NASH. There will be some of it, but——

Senator FOWLER. But I will——

Mr. NASH. That is one of the problems with our land we thought would go into this program is not getting into it.

I just wanted to comment on one other thing, Senator. I think the important thing is, every time we start a government program, we could find a lot of different ways to expand it or create new ideas because it will do a different thing than what the original intent was and there is no question that as we move into this thing we see more and more reason why if we get support for the CRP Program, because of what it is going to do for someone else or some other program, and then we get the implementing dollars for those kinds of programs. So I think you have got to be very careful that farm programs like the CRP Program does not do the same thing as many of our other farm programs have done, because you qualify here you get an additional opportunity to do something else, and we pay you to do that too for the same thing. So let us not just destroy this thing by adding on everything that we add on the Christmas tree.

Senator FOWLER. Well that is a good warning, but it is also the other side of the coin, we ain't got enough land in there.

Mr. NASH. I agree.

Senator FOWLER. We did go from two-thirds to one-third, I wanted to check on that, on highly erodible, which is a 33⅓ percent increase, but the warning of not trying to do everything for everybody is always a good one.

Well folks, we have still got all eight panel members here. All this talk about quail, I do not know why I remember this old story from vaudeville about the fellow that gave his mother a parrot for Mother's Day and a few days went by and he had not heard from his mother so he called her up and he says "Mother, how did you like that fantastic parrot I sent you?" She said "Delicious." He said, "Delicious? You ate that parrot? That parrot cost \$1,000, that parrot spoke five different languages." She said, "Why didn't it say so."

Now before all you guys and ladies here call me up in the middle of the night tonight, tomorrow night and say I wanted to talk to

you about that hearing; this is your chance to say something. We have got a microphone set up here. I do not have all the answers but you can direct your questions to anybody you have heard talk today or make a comment.

Yes, John.

Mr. MIXON. Senator, while I am testing the microphone, let me make one comment. There are a lot of comments about the number of acres going in pines. Of the 24 million acres of forest land we have in the State of Georgia, we have more hardwood than we do pines. When you fly over the State of Georgia—it is easy to think we are trying to plant the whole thing in pines, but as you fly over, you notice the drains and all the other areas in hardwood, and folks from the 24 million acres we have out there, we have slightly more acreage in hardwood timber than we have in pine. So it is not a deal of trying to change the whole State to pine. And when you cut a stand of pine off, if you do not do something, it changes from a pine forest to a hardwood forest in about a 2-year period of time. So we are going to have the hardwood trees out there. I just wanted to make this statement since several comments have been made about the hardwood forests.

Senator FOWLER. Thank you, John.

Welcome, state your name to everybody.

STATEMENT OF HARVEY MEINDERS, FARMER, CAMILLA, GA

Mr. MEINDERS. I am Harvey Meinders from Camilla, Georgia. I am a past conservation reserve man from back in 1955, ex-soil conservationist, I have had quite a bit of experience.

The Soil Conservation Service has three classifications of conservation hazards: erosion hazard, drought hazard, and wet hazard. I cannot see any reason why these other two qualifications, they are conservation hazards just as much as erosion, why they cannot be considered as conservation hazard and qualified. I think it is just a matter of opening the right doors and talking to the right people, somebody that knows something about it.

I want to say another thing. I think this Conservation Reserve Program can mean more to us than any other program. I want to give you an example of what happened back in 1955. My land was only worth \$15 an acre. I advertised it for sale at \$30 an acre in the "Market Bulletin" and I did not have one person in the whole State of Georgia even call and inquire. I placed this land in conservation reserve in 1957 and within 2 years I could borrow \$50 an acre and I was offered \$150 an acre. I have cut \$700 an acre from that land and I have about \$1,200 an acre on the land today. That is what it can mean to you.

The conservation reserve would put a floor under the value of our land. The Farm Credit Administration is in the worst shape it has ever been in. By putting this floor under it, the Federal land bank can be put back on its feet. I think it is the greatest program and I want to endorse it 100 percent.

Senator FOWLER. Thank you so much—thank you very much.

STATEMENT OF JOHN VANCE SULLIVAN, FARMER, PRESTON, GA

Mr. SULLIVAN. My name is John Vance Sullivan from Preston, Georgia.

One issue that we have not touched on that I would like to bring up in just a second is the issue of taxes. I certainly appreciate everything you are doing with the CRP Program but when you look at what happens with lost capital gains and expensing and those issues, that is probably the most pressing issue we have in forestry today.

To give you an example of that, just to tell you, my grandfather has planted 50 million seedlings since 1940. My father, my brother and I have planted 14 million seedlings in the last 4 years. We are dedicated and this is our business. We are going to be here for the next 40 years, I can promise that—longer than that, we have got people to carry on. In the last 2 years, we have sold enough timber to make the production of a sawmill that produces 215,000 board feet a day for 62 days, which is about 130 people who can be employed there. Because of the new tax legislation this year, we are not going to sell any timber whatsoever, and wait until next year.

We have planted 14 million trees in the last 4 years and next year we will probably plant less than 100,000. Anything you can do to help on the issues of expensing and capital gain would certainly be appreciated.

Senator FOWLER. Well I usually do not like to take credit for the things that I have not been involved with, but I was on the Ways and Means Committee for 10 years in the House, and Ed Jenkins and I fought the repeal of the capital gains treatment on timber tooth and nail along with the expensing provisions, making the case as best we could with an awful lot of help, but we lost. And I cannot—I am hoping that—as I say we are going to have a new administration, hell or high water. [Laughter.]

And I do hope that we will have enough evidence in hand, you and I know, the figures are compelling, that we are undercutting almost all of the policies that we have described today because we are not treating the timber business, not only the same as other businesses, but we do not recognize the growth—the time problem from planting to fruition and I just hope that in this 2-year span that we will have, that the new President, the new administration, who fought us and who repealed it, that we will be able to make that case and turn it around. It will not be done this year unfortunately, we are going to have to have a change, but I have not forgotten it and I happen to have a record that shows that I agree with you.

Mr. SULLIVAN. We certainly appreciate it and thank you for taking the time to listen to me and others.

Senator FOWLER. Thank you very much.

Yes, sir.

STATEMENT OF MARK GIBBS, REGISTERED FORESTER AND MANAGER, FIDUCIARY FORESTRY DEPARTMENT, CITIZENS & SOUTHERN TRUST CO., MACON, GA

Mr. GIBBS. My name is Mark Gibbs, I am a registered forester and manager of the fiduciary forestry department at the Citizens & Southern Trust Company.

Senator FOWLER. Where?

Mr. GIBBS. I am based here in Macon.

Senator FOWLER. Good. Thank you.

Mr. GIBBS. Most of our property is in trust and estates held in our fiduciary accounts, about 60,000 acres throughout the State of Georgia. And as you look through the tax assessors' offices as you are developing new clients and new work in the counties, it is amazing to see the amount of timberland and rural land, whether it is in a corporate fiduciary like us or just in an estate or a trust managed locally, that is in the trust and estate category throughout the State of Georgia. There is a lot of it, you see a lot when you are looking through.

SEVERAL COMMENTS

First of all, you expressed a concern about the impact the CRP might have on the long-term future of the timber market, and that has been addressed a lot of times with all these forestry incentive programs, people said we are going to give all these people money to plant trees and the seedlings that I plant is not going to be worth anything.

I think it was mentioned before, but John Mixon, was there not a 1983 Forest Survey of Georgia, did we not have a net decline, considerable decline in the commercial forest land acreage in the State from 1973?

Mr. MIXON. Almost 1 million acres decline.

Mr. GIBBS. OK, so there is an offset right there. Anything we can gain in CRP is going to offset against something that we are losing to other land uses. And with the fifth largest population growth in the country, we are going to continue that kind of direction. So anything we can do—it might keep us even, if we are lucky.

Comment to Bob Nash on opposing the amendment for CRP acreage in financial institutions. My company is a financial institution but we are fiduciary rather than repossessing land. I think that is what you are talking about, is it not, land that is coming back and being held by the financial institution that was repossessed? Make or break there for sure, do not blanket financial institutions if that is considered because that would take it out of my ability to put trust property into the CRP Program like this and that would be very bad because we are utilizing it as heavily as we can.

Senator FOWLER. That is a good distinction.

Mr. GIBBS. And with the new record, the lower requirements, we are going to even increase a good deal more. So I want to bolster his comment about strengthening FIP and ACP for the other people who are planting trees. I was a county forester in Madison County, Florida in 1973 when FIP [Forestry Incentives Program] hit the ground and I can remember when we were doing 30 management plans a year for FIP like the Soil Conservation people are

now doing for CRP—big time, spread money, get a lot of trees put in the ground.

The fact is, my landowners now ask me about it, should I sign up for FIP, I say, yeah, sign up but we call it the forestry disincentive program now because you get on a waiting list with 30 people. The work that you could have done today for \$100 an acre site prep cost, you get put off for 3 or 4 years because you are on this waiting list, you have lost growth and the sweetgums are now 15 feet tall instead of 7 feet tall—it is a disincentive to forestry to have this program on the books and not fund it any more than it is being funded.

If you are going to bolster this program, do not forget to do a little bit for the ASCS office and the SCS office because they are technically responsible for this. And I have already this year seen delays in getting work back, getting approvals and getting acceptances from the last signup period. We have cut down drastically on the staffs of the SCS and ASCS and I do not know all the wherefores and whyfores of that, but I know that where there used to be an office director in every county, there is sometimes one director for three counties now. The same thing with the Soil Conservation Service. I have got one guy that is responsible for three or four counties and when he has got 30 of these little plans and qualifications to look for in every one of his counties, it is delaying, it is taking time to get things back and the landowners are backing off and saying come on, tell me something, I have either got to lease it to the farmer again or I have got to put it in the program, which one is it. So we are seeing a delay there. If we increase this by 20 million acres, maybe you need to consider that.

And finally a comment on——

Senator FOWLER. So many people write us and say fire all the bureaucrats. [Laughter.]

So send us a letter on the other side.

Mr. GIBBS. The final comment is on the bid prices. I see things from a different standpoint, being more or less a consultant to our administrative officers in fiduciary. Most of my landowners have passed on and are not worried a whole lot about this because the property is in trust and the family is spread all over kingdom come, so I deal with absentee landowners. An absentee landowner 6 years ago could expect a pretty good rental income on his farmland. He could get \$40 an acre plus allotments and he could—it was not a bad deal to get that much income. But with all this land that has gone back into the financial institutions from repossession and things, there is a lot of land out there that just is not being leased and that brings the whole lease thing down. An absentee landowner with a 100-acre field out there is lucky to get \$20-\$30 an acre now, if that.

And so as my landowner looks at me and says OK, they have knocked down the bid amount from \$45 to \$38. Do you think I ought to back out? My answer to him is what can you get leasing it and if his answer is \$20 or \$25, then the answer is obvious, it is in his best interest to go ahead with it. But I think that also goes along with what they said over here, there will be a flush that will take all of that out one or two times and then it will dry up because the long-term people will not keep working on it.

And my final comment is, if you have to drop something, if you have to drop the bids, work possibly on a tradeoff of bid amount to initial reimbursement percentage. We are doing 50 percent reimbursement of the establishment cost now. If we have got to go back on the bid, let us increase to 75 percent like FIP on the establishment cost. And I think that will have an impact because that is less money out of pocket this year, which most of us are more or less interested in.

Thank you, that was longer than I meant to be.

Senator FOWLER. That was a very—I have changed, I want you as my Secretary of Agriculture, replace my friend. Those are very helpful comments, thank you.

**STATEMENT OF JIMMY GREEN, FARMER, STATE SENATOR,
AMERICUS, SUMTER COUNTY, GA**

Mr. GREEN. I am Jimmy Green, Senator, from Americus, Sumter County.

Senator FOWLER. Yes, sir. Glad to see you, Jimmy.

Mr. GREEN. I am on the ASCS County Committee and I am also Soil Conservation Supervisor for the Lower Chattahoochee Soil Conservation District.

I think most of my comments have been spoken of, but I would like to accent what we just heard about the need for personnel for the ASCS and the Soil Conservation Service in implementing these programs. I think that it is very important, and being a farmer and a consultant forester, I appreciate all of this program, the Conservation Reserve Program. The personnel to implement this program is in very short supply and at a time when we have a program of such magnitude we have also a reduction in personnel. We had a meeting this morning in Dawson, Georgia in our District for the supervisors and it would have been very interesting if I could have taped that conversation and brought it here with me today, because it was very interesting that we were wondering with all the knowledge and everything that implemented the CRP Program, what happened to the wherewithal to implement it. And we cannot get the work done that needs to be done, we are so far behind on other things such as terracing and other waterway practices that we cannot protect the soil that this program was originally implemented to do.

I think it is an excellent program, and being in forestry and wildlife management for most of my working life, I think that it has done more to implement and enhance wildlife in Georgia and the other Southern States than any other program that we have had come from Washington.

The other thing that interests me, being a farmer and having to plant these trees and establish these conservation programs, is that we get notices in the mail that says that our diesel fuel tax is going to be increased 15.1 percent starting April 1, besides all the other cuts that agriculture had to take in the budget cuts adding on another 15.1 percent per gallon cost for diesel fuel is a tremendous burden for farmer to have to carry. I am sorry that this had to come at this time but it is something that we are going to have to live with as of April 1.

I understand that it is discretionary to the Secretary of the Treasury to add this tax on to everyone except the farmers and the farmers it is automatic, it is not discretionary. And I would like to see if there is some way that we can have some discretion in the implementation of this new diesel fuel tax.

Senator FOWLER. Jimmy, my understanding—I was just checking with my staff and I will get it to you in writing, but my understanding of course is—I am sure you know this, but just for everybody here, if you keep records to show that it is for farm use, the diesel is for farm use, though that is another bureaucratic requirement, you will get that money back, that tax. If that gas was used for farm use, it is not quite as bad as it seems.

And the other thing, let me just respond that I have to agree, and with the previous speaker, that in expanding these programs, we have got to have help in implementing them. We did put more money when we increased the CRP along the lines that we discussed today, we have put more money in the SCS and the ASCS budget this year—more money than last year.

Oh, you go ahead, I thought you had finished.

Mr. GREEN. Well the only thing was none of us associated through SCS and ASCS have felt the trickle down effect of these funds yet.

Senator FOWLER. They are trickling next month.

Mr. GREEN. And the other thing is the impression I had was different about the fuel tax, that it was not refundable and that it was a tax that was at the Secretary of Treasury's discretion to implement, and wondered why he did not have the discretion to allow this tax to be taken off of farmers as he did other transportation—

Senator FOWLER. Well I do not support any discretionary taxes or discretionary authority for unelected Cabinet people.

Mr. GREEN. That was my understanding of the Constitution, that you as Senator and other Congressmen make the laws and the Secretary of the Treasury just has to carry them out.

Senator FOWLER. Well we will have to have our Constitutional discussion some other time, I happen to agree with you, I like to answer for my own sins, which are scarlet, and not a Cabinet officer. But I will be in touch with you, Jimmy. I do think that tax is refundable if used for farm purposes.

Mr. GREEN. Thank you. Thank you for CRP.

Mr. NASH. Senator, before you leave, that is an issue I need to talk to you about, because that thing is a big issue for us in Georgia and across this country. It is refundable and the problem is that it is going to take \$18 million of funds from Georgia farmers, based on statistics, \$18 million to pay for that tax while we are trying to get a refund back. That is just in Georgia alone.

Senator FOWLER. Bob, let me go on—I know it is getting time to go, but I am glad we have got some more folks here with some comments and suggestions and we are going to get everybody that wants to. Go ahead.

**STATEMENT OF TOMMY O'BARR, FARMER, SYLVANIA, SCREVEN
COUNTY, GA**

Mr. O'BARR. Tommy O'Barr, Sylvania, Georgia, Screven County.

First I would like to make a comment about the farm program in general, the 0/92 change. The signup dates are February 16 to April 15. We plant corn usually by the end of March, how are we going to sign up for the program and not be notified until the end of April? The timing is behind.

Senator FOWLER. I have heard that all week. Looks like we could do that before planting.

Mr. O'BARR. We planted our wheat in the dark hoping it would be like last year and it is not. So what are we going to do with our wheat now?

Senator FOWLER. Well I am going to make that case for you. I do not know what the answer is going to be, but you are absolutely right and I cannot think of any excuse for it.

Mr. O'BARR. In the CRP Program, I think we have to distinguish between farmers and landowners. I think that your farmer and your landowner are different in the fact that the landowner is usually renting to a farmer and this program is designed—if I was a landowner, I would not even think about renting the land unless I had peanut space or a corn allotment that would support it. But we are seeing a lot of land that is highly erodible going into the program, but we are also seeing some of our better land, approximately 30 percent of our land that has gone in the program is good land that is for production and could be terraced and still put in production. It is good land.

With the changes in the program that you are coming forth with now, you are going to see the rest of our better land probably qualifying and going in the program and we are going to be stuck to farm sandier soils that will not go in the program. I think we need to change this and look at the land use situation and what is best for the long-term effect of the community.

Senator FOWLER. Thank you very much.

**STATEMENT OF KENNETH SHEFFIELD, FARMER, EASTMAN,
DODGE COUNTY, GA**

Mr. SHEFFIELD. Ken Sheffield from Dodge County, Georgia.

Senator FOWLER. Yes, sir.

Mr. SHEFFIELD. The problem we are having is we are not qualifying for the program and this is a hard guy to follow when he is talking about good land. We have an erosion problem and we were row cropping in the seventies and we got out of row cropping and went in and planted grass on our land and we do not have an erosion problem, and to solve the erosion problem is not a difficult problem, as this program addresses.

So when we came up to qualify for the program, we are not acceptable to the program because we do not have a row crop history and also we have grassland or pastureland that we have on the program. Since this is tax money that is being used to pay for this program, we feel like we have just as much right to ask to participate in this program as people who have supposedly erodible land or land that they are going to take out of production.

And I think these gentlemen over here brought up the fact concerning pastureland not being eligible in Sylvania. The program should be expanded to the point that those who want to participate can participate and not just for a select few who have not taken conservation practices to plant or as you indicated do some strip planting next to your stream or do something on your own like putting in terraces and things like that.

We should have the opportunity to participate just as anyone else across the board, because we are taxed right across the board as everyone else is.

Senator FOWLER. Well just so I do not get accused of agreeing with everybody. I am not sure I agree with—I am not sure it is possible to agree with the philosophy. You have seen, there have been some very good specific proposals today on putting grassland and pastureland in and I will make sure that we look at that very closely. We cannot develop a national plan that fits everything. And you know, the extension of that philosophy—sometimes a lot of people come to me saying they do not want to pay school taxes because they do not have any kids in school. They do not want to pay defense taxes because they disagree with our country's policy in the Middle East or something.

So we cannot always apply that everybody pays taxes, therefore everybody ought to participate. Those are some of the things that Bob Nash was talking about. But I will look at the—I understand exactly what you are saying about Dodge County and how the row cropping history was not there and I think there are some very compelling reasons to include grassland under certain circumstances. And I will make my colleagues aware of that.

Mr. SHEFFIELD. I certainly thank you and we thank you for coming.

Senator FOWLER. Thank you so much.

STATEMENT OF BILLY WALDEN, FARMER, TWIN CITY, EMANUEL COUNTY, GA

Mr. WALDEN. My name is Billy Walden and I am from Emanuel County.

Senator FOWLER. Yes, sir.

Mr. WALDEN. Since he is on taxes, one thing—

Senator FOWLER. Now I ain't on taxes. [Laughter.]

Even though I do not have to run for 5 more years, I am never on taxes unless I am forced to. Go ahead.

Mr. WALDEN. These gentlemen ahead of me mentioned two of the things I wanted to mention; one of them was taxes, and we do not want to forget that we as farmers pay taxes on this land. That is one reason I am opposed to reducing the price per acre from this \$45 that we used for putting our land in the program.

One other thing, of course I just paid my taxes, I guess most of these people have, taxes on—I think that really we need something to supplement our school tax with and take it off of real property. Income tax would suit me a lot better than property. That would reduce our farmland taxes about 50 percent.

Senator FOWLER. Well I cannot dodge many of them, but you are going to have to talk to your State and local legislators about that. Thankfully, the U.S. Congress has not gotten into that.

Mr. WALDEN. Anyway, one thing that I wanted to refer to was the qualifications of the land. The farmers that are already in the program with a few acres, a few fields—I had a few fields that went in and of course the soil scientist came out and took samples and some fields went as high as 70 percent and they could not take the whole field, they took maybe 4 or 5 acres off in the corner of the field see.

Senator FOWLER. Uh-huh.

Mr. WALDEN. And I would like for you to make this deal retroactive and include these portions that were left out of these other fields. If they do not qualify under the new program that you are talking about, then we have got a lot of little fields that are really not feasible to tend and get the major portion of the field cut out and put trees on it.

Senator FOWLER. Yeah, I follow you. Thank you, sir, very much.

Mr. WALDEN. Thank you.

STATEMENT OF BOBBY BLALOCK, PART-TIME FARMER, TIMBER BUSINESS, ROBERTA, GA

Mr. BLALOCK. Senator Fowler, I am Bobby Blalock from Reynolds. I am a part-time farmer and in the timber business also.

I think any farmland should be able to be put in CRP because poor land grows poor pine trees just like poor land grows poor corn. So why should you say I am going in the timber business and yet I am not going to try growing trees by putting them on sorry land. You know, if it will grow good corn, it will grow good pine trees.

We have a surplus of most any grain, except, I think oats, I understand there is a shortage of oats, but all the other grains have surpluses. Like these gentlemen told us earlier, we are cutting our timber at the rate in Georgia of approximately 200,000 acres faster than we're planting it.

So we should be putting the money where it is needed, it looks to me like, growing trees, where we are generating a shortage, rather than putting it into the grain program where we already have surpluses. I mean if we are going to spend the money, which I am sure the Government is, we need to put it where it is needed.

Senator FOWLER. Here, here.

Mr. BLALOCK. This gentleman over here awhile ago told us that if corn went up a dollar a bushel how much money the Government was going to have to spend on it, well if it does not go up a dollar a bushel, farmers are not going to be able to grow it.

I think the prices should be set to all people that plant trees, it should not be more than one price. When you start bid pricing, you are pitting one farmer against another. We have a Government that promotes equalization so why not pay equal to everybody. Regardless of what the amount, I think everybody should get the same thing rather than bid figures.

Senator FOWLER. Do you agree with that, Brother Stripling?

Mr. STRIPLING. I agree with it. It is bad to have to go in there and pit yourself against your fellow farmers.

Mr. BLALOCK. That is right, you are creating enemies out of farmers and friends, that is not necessary.

Senator FOWLER. I am listening hard, keep on.

Mr. BLALOCK. You made a question earlier, I believe you asked Mr. Nash about 30 or 40 years down the road, are we going to create a surplus of pine trees, like we have a surplus of grain now. And I say not, one reason I say not—and a good reason I say not, fuel is going to get short one of these days even though we have plenty right now, I am talking about petroleum type fuels. Pine trees make awful good fuel for heat. You can also make petroleum like products out of them, it costs money but you can do it.

Senator FOWLER. Well the chips industry went up in a hurry, did it not, when we were in the last gas problem.

Mr. BLALOCK. Right.

Senator FOWLER. John.

Mr. MIXON. Yes, sir, since he mentioned that, we have got a new system over at Central State Hospital that we are heating that hospital with wood instead of oil and natural gas. That system is saving the taxpayers of the State of Georgia right at \$1 million a year and that is using cull type of wood instead of oil and natural gas.

Mr. BLALOCK. And when fuel goes up, it is going to save a whole lot more. And it is going back up. I mean there is only so much down there and we are taking it out every day by the millions of gallons, it seems to me, the way all these cars run up and down the road.

Senator FOWLER. We are spending \$8 billion a day in the Persian Gulf right now because we are so reliant on imported energy and imported oil rather than doing what we know how to do in this country and become self-sufficient on our energy.

Mr. BLALOCK. Well these pine trees are going to look mighty good standing out there if we can go out there and cut them 30 or 40 years from now.

Senator FOWLER. Very good suggestions.

Mr. BLALOCK. I appreciate your time. I am sorry you started at the top of the ladder and came down to the bottom though rather than starting at the bottom and going up.

Senator FOWLER. Well next time we will do it the other way around. [Laughter.]

You say it a lot quicker than these guys at the top.

STATEMENT OF D.L. POPE, EMPLOYEE, F & W AGRISERVICES, INC. AND F & W FORESTRY, ALBANY, GA

Mr. POPE. I am Leo Pope from Albany, Georgia and I am with F & W Agriservice and F & W Forestry.

We sat down, Senator, and worked up a list of recommendations and suggestions and there was no need for me to get up here after that because you answered them all in an affirmative way in your opening remarks and we appreciate the one-third rule and down to 2T, those are some of the things we had recommended.

Senator FOWLER. Well Mr. Pope, I would like you to give it to us anyway so we can make it a part of the record.

Mr. POPE. We are concerned about the tax reconciliation bill as it affects landowners, whether they will be able to participate in the signup in 1988. Of course I understand the ones that have signed up by December 22 with the various type ownership are in, but we are concerned about the signup that is coming in 1988. Will they be permitted and get contracts as mentioned by the man representing C&S Bank's Trust Department. We have a lot of landowners that fall in that same category.

Senator FOWLER. I do not know the answer to that, Mr. Pope, but we will find out.

Mr. POPE. OK. I appreciate the opportunity and I will leave it with Hill McKemie.

Senator FOWLER. Good, thank you very much.

STATEMENT OF WAYNE WEST, FARMER, BYRONVILLE, DOOLY COUNTY, GA

Mr. WEST. Senator Fowler, I am Wayne West from Dooly County.

I would like to see pecan trees added to the list of trees for planting on the CPR in the tree program if that is possible. You know, I have tried planting some on my own and I have been kicked out of the program on occasion in Dooly County and I would like to see those added if possible on a percentagewise like the wildlife is added on a 2.5 percent basis. I would like for just a very light percentage of this land to go into other trees like pecan trees where it will continue to stay out of production for many years and into another program and produce some added income too.

Senator FOWLER. Well I certainly do not see why we cannot look at that while we are considering whether we are going to develop any financial incentives on hardwoods. And I appreciate what John had to say about it is almost 50/50 now, but I do think in the future—well I am going to look at hardwoods and I would be glad to look at pecans.

Mr. WEST. I think pecans would go along with the same principle as hardwoods, providing wildlife if nothing else for the birds and squirrels and such wildlife.

Thank you.

STATEMENT OF BILLY SANDERS, FARMER, VIENNA, DOOLY COUNTY, GA

Mr. SANDERS. I am Billy Sanders from Dooly County.

I understand that where you plant grasses on CRP land that coastal bermuda does not qualify. Now it would seem to me that after the 10-year program and you are no longer getting rent, that if you could have coastal there you would have the potential of having a hay crop that could give you income.

Senator FOWLER. Anybody got any comment on that?

Mr. NASH. Senator, this has been one of the problems. The tree thing is a 20-30 year before you start getting income off of it. You plant it in grasses and sometimes when you plant grasses out there and do not do anything with it, you lose the stand of that grass actually. Sometimes you have got to cut it or do something to stimulate the growth in it and he is right. I mean you put it in there for 10 years and then you are going to break it out or you are going to

do something else with it at the end of 10 years because your income stops, where on trees you have got a continuous income that has already started. So there is a difference in the benefit of putting grasses as opposed to trees. And I am not sure the land will stay in grass, I am not sure what we are going to do with this program after the 10 years on grassland.

Mr. SANDERS. One other question here concerning the 10-year program and you are putting a portion of base crops into the program or they are put in in reserve or frozen. After the end of the program, does that base return to the farmer or what happens to the base? And it should be up front to where the people could answer our questions when we go in before we sign up, if we are going to get that base back.

Senator FOWLER. I understand it returns to the farmer at the end of 10 years.

Mr. SANDERS. One other thing on the grass. We do not know for sure why that grass has become locked into the Sodbuster Program and that you would never be able to take that grassland back out or to make a change on it.

Senator FOWLER. You can. I am advised—with a conservation plan.

Mr. SANDERS. I hope we can because I would hate for our farmers to be locked in and at the end of that 10 years not be able to make any other use of that land.

Senator FOWLER. Well that has not been a problem.

VOICE. Would that not apply to the same pine tree program as the grass after 10 years or 5 years?

Senator FOWLER. I am sorry, would what apply?

VOICE. Can you take it out and do whatever you want to with it?

Senator FOWLER. Yes. My understanding—again I am always hesitant without looking at the plan and the agreement, but my basic understanding is that after 10 years in any of the CRP programs, that you can then take the land out with a conservation—and use it with an approved conservation plan.

But as we end here—I will let you finish, but this hearing of course in this 2½ hours we have concentrated mostly on trees but certainly any of your suggestions as we go into the coming months and the coming years as to the mix, be it grass or wildlife refuge or whatever where we save, protect for some future use marginal, erodible, necessary land, is the only purpose of a conservation reserve program. And nobody is trying to say that only a certain kind of land in every instance should be eligible for that program.

Mr. SANDERS. One other thought I think I need to mention since I have got the opportunity, concerning conservation of quail. I am from a cotton county and I supported the boll weevil eradication program and hopefully as we go further into the eradication program our quail population can benefit from it. The past fall's activity, there could be some claims made in a number of areas there and yes, there could have been some toxic materials that were put out that maybe were the fault of somebody besides the farmer, maybe made the wrong decision about insecticide use. But we should have an improved quail population due to the eradication program that will be coming.

Thank you, Senator Fowler.

Mr. STRIPLING. Senator Fowler, let me answer that just a minute. A lot of this poison was put out just about indiscriminately. In our county, they sprayed fields and ponds and every other thing. And this does not have anything to do with you as such I know, but what I am saying is it was indiscriminate, spraying with a helicopter, they were not spraying but I do not know, a pint to the acre or something like that, and it got in ponds, fish were killed and everything else. So this is one of our problems.

Senator FOWLER. Well one of our priorities on the committee this year will be—and it is very, very controversial—FIFRA legislation concentrating on ground water and pesticide regulation to protect ground water. And you will be hearing a lot about it and I also solicit your opinions and suggestions on that.

There are a lot of people that were here. I ought not to get in the business of trying to recognize people here in conclusion but I—Sam Brewer was here, is he still here, the State Director of the ASCS—Sam had to leave. Dean Flack was here, from the Agricultural School at the University, he had to leave. And I saw—this is a nonpartisan meeting but I will introduce him anyway because he is my friend, he is a great man, John Henry Anderson from Hawkinsville. Mr. Anderson is back there, also happens to be the State Chairman of the Democratic Party. And if you have got any complaints about wanting your kids in the Convention or keeping them out of Atlanta, call him, not me. [Laughter.]

And lastly, and then we will take our last comment, I do want to—I am very pleased that many of the references were to Senator Nunn and myself and our working together. Senator Nunn is a full partner with me in my efforts in rural investment and rural development and certainly his leadership in the Conservation Fund. A couple of his staff members are here today, Olan Faulk, where is Olan? Welcome. Terry Mathews. Both of them from Senator Nunn's office—here is Terry. Arthur White who is with Congressman Richard Ray, is here and then I want you to meet my staff. If you have got something nice to say to me, call me up and tell me. If you do not, call Edison, Georgia's own Bob Redding who—stand up, Bob, so they can see you—does my agricultural work. And Hill McKemie, who as many of you know operates out of Albany and covers about 20 States for me, used to farm and I am pleased to have someone with his experience in agriculture and farming to work with you on my behalf.

It is time to eat. I missed my lunch.

We will have our last person to testify and we will let you wrap it up.

STATEMENT OF SAMUEL LESTER, FARMER, MONTEZUMA, DOOLY COUNTY, GA

Mr. LESTER. Senator, I am Sammy Lester from Dooly County, I am glad the last three people here were from Dooly County.

I am concerned about a comment that you made about half way through the meeting that we have about half one way and half the other way for the CRP Program. I will submit to you that Mr. Dozier's comments, his negative comments, were due to the fact that any ground that is taken out of production takes out of his pocket

and his profit potential. And I am sure that you realize that all the pros and the cons are slanted toward their own personal opinion, as was Mr. Nash. His insurance company stands a good deal of loss to the deer population through collisions with the vehicles that his insurance company insures there.

And you must understand too that Georgia is not totally agricultural in that some of us do make a living from other things other than agriculture, but we cannot do it without the wildlife that we have. I just hope you do not have the opinion that it is half one way and half the other because I think that the CRP Program would be a salvation to a lot of the farmers like myself who are in trouble with the debt load that we are carrying. Thank you.

Senator FOWLER. Well Sammy, I did not say that. I do not know how it came out. What I said was—I was trying to quote John Nixon accurately when he said that we had in these questions that come up, and some of them have been raised by me, about hardwoods, that—and John, you correct me if I am quoting you wrong, that about—as you fly over Georgia and as you look at the actual facts, we have got about 46 percent in pine trees, did you not say, and the rest is a mixture including almost half hardwood forests in this State. I was not—I was not trying to offer my—I have my own opinion, but I can assure you that with my attempts on agriculture, do not forget where I come from. I know an awful lot of people not involved in agriculture and I do—I am very proud actually of my conservation record on behalf of wildlife, going back 10 years in Congress before you all were kind enough to let me serve you in the Senate.

But we have had some good mixture of opinions here today. Also I always like, it gives you the flavor of the decisions that we have got to make and that is, everybody does not think alike. And you know, you improve one program and sometimes you do it to the detriment of another. And that is why I was very careful to try to ask several gentlemen from Screven and Miller and these rural counties whether or not they had heard whether or not we were being accused of hurting the overall local economy, all small businessmen and women, by the amount of—by the conservation reserve. And I was glad to see that they all reported that had not been a problem.

But folks, to those of you who did not get a chance to say something, this hearing has been extremely helpful to me, with many suggestions that need to be thought through and researched and strongly considered to improve our programs and our policies, but I hope it will not stop today. As you think about it and since you all did not get a chance to talk, 2 weeks from now or 2 months from now as you have experience under some of these programs, I cannot be effective in representing you unless I hear from you. And the most helpful way is to sit down and write me a letter where you can detail how a particular Federal policy is affecting your business or your community or our country. And this business of getting things right is a two-way street. With 159 counties and 6 million people, I cannot be in Macon every week or Screven County every 2 months, but if you will just look at this as the beginning and let me have your thoughts on how we can do things better,

maybe, just maybe we will do something that we all can be proud of.

Thank you so very much for coming.

[Whereupon, at 4:47 p.m., the subcommittee adjourned, subject to the call of the Chair.]

[Material submitted for inclusion in the record follows:]

Prepared Statement of Drew W. Hilliard, Newberry Angus Farms,
Colquitt, GA 31737

It deeply concerns me that the program to which we address ourselves today seems highly discriminatory to the agricultural regions of South Georgia.

It is fully understood that the prime purpose of this CRP program is to reduce agricultural production on highly erodible land. However, in my county, farmers and land owners are hesitant to sign up for this program because of the unlikelihood of being approved and accepted. Of the 227,264 acres of land that comprise Baker County, to date only about 700 acres have been approved for CRP participation. I feel this mainly has to do with our land being mostly on a slope that would not qualify it or practices carried out many years prior to this program have disqualified any participation.

On our particular farm, we have lost approximately four or five acres to Notchaway Creek through erosion. But this land does not qualify because it is planted to Bahia grass pasture. The same is true for many lands we have adjoining the Flint River...though this land has not been lost to the river...yet!

It is my feeling that the powers that be should look upon grass as an agricultural commodity when an application is submitted for CRP approval by a farm on which cattle are grown.

It also concerns me that even though we are encouraging the planting of pine trees on lands that are approved for this conservation program, we farmers are being treated unfairly on the tax position taken by the Internal Revenue Service with regard to timber. It is my hope that with the information you take back to Washington on the CRP program, you will also use your influence to make much needed changes in the tax structure to encourage the planting of timber in our great nation.

In closing, please permit me to make a few candid remarks concerning this CRP program. Prior to my fulltime farming status, I served as a hospital administrator for a number of years. It was true of the Medicare and Medicaid programs then as it is now with the Department of Agriculture in administering the Conservation Reserve program....that those who do the better jobs are those penalized...and those who do the sorrier jobs are rewarded with government programs. Farmers who have over the years practiced conservation in good faithful stewardship of the soil find themselves ineligible to participate in our current program. Whereas, had this land been abused, with cultivated crops planted from fence row to river banks...government agents would have been beating down our gates to sign us up!



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CONSERVATION RESERVE PROGRAM HEARING REVIEW Macon, Georgia

January 19, 1988

F & W AGRISERVICES and F & W FORESTRY
P. O. Box 4309
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COMMENTS

The Conservation Reserve Program has been a valuable tool in getting eroded land established in trees or grass. The program has also taken many thousands of acres of marginal cropland out of production.

As Highly Erodible Land becomes designated on the farm by Soil Conservation Service, the CRP will play a major role in getting farms in compliance with the 1985 farm bill requirements. Without CRP, finances would not be available to meet requirements on many farms.

The sandy soils and soils along the larger streams that have a serious erosion problem will not qualify under the present criteria. We would like to recommend that these soils be included as qualifying. By including these additional soils, this will improve water quality and reduce a serious erosion problem. Wind erosion is

CONSERVATION RESERVE PROGRAM
HEARING REVIEW continued

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occurring and causing soil loss. This loss from wind erosion needs to be figured in Georgia as contributing to tons of soil loss per acre.

The CRP has proven to be an effective program in providing a tool for farmers to use in making needed land use changes. It is recommended that CRP be continued.

The Budget Reconciliation Bill passed by congress in December 1987, Sub-title C, Farm Program Payments, denies certain types of farm ownership from participating in farm oriented government programs. The protection and improvement of our most valuable resource base "SOIL and WATER" should be of highest concern, instead of who has control of the land at present. Ownership should not be the limitation. Agriculture produces created wealth and everyone benefits. The old adage of 'so goes land, so goes man' is still true. Every acre needs to be treated according to its needs regardless of who owns it.

There is concern that the accelerated movement of applying needed conservation practices will be reduced when the above mentioned bill is implemented on many farms.

CONSERVATION RESERVE PROGRAM
HEARING REVIEW continued

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We would suggest that the effect of this legislation be studied and changed so all the land can receive adequate treatment and aid in restoring economic conditions on all farms.

At present to qualify for CRP two-thirds of field has to meet the erosion requirements. To be classified as Highly Erodible Land, one-third of field has to meet the erosion requirements. We recommend that CRP be changed to the one-third rule. This will enable farmers to qualify for CRP on all Highly Erodible Land.

We appreciate the opportunity to express our concerns.

P. A. RHENEY, CHAIRMAN
BRIER CREEK SOIL AND WATER CONSERVATION DISTRICT

The Brier Creek district includes the counties of Burke, Glascock, Jefferson, Jenkins and Richmond. These counties are known as part of the bread basket counties of east central Georgia.

23 million acres of land nationwide have been enrolled in the Conservation Reserve Program with 85% of this total lying in states west of the Mississippi River and with the majority of these acres in four states.

1 million acres or less has been enrolled in the five southern states. These figures should indicate that the Conservation Reserve Program has meant little to Georgia farmers and landowners.

No regional section needs the CRP more than the southeast and Georgia which has experienced two decades of severe droughts, low government deficiency payments because of low yields and a farm program that brings bankruptcy to most farmers with possibly the exclusion of farms with allotted crops (peanuts and tobacco).

The Brier Creek district strongly recommends a change in the eligibility rules for enrollment in the CRP and a list of these changes will be forwarded under separate cover.

While the prime purpose of the CRP is to conserve our natural resources - idling land that produces excess commodities is also very important. Changing these eligibility rules would speed the idling of this land and hopefully would bring about the end to this farm crisis that's bringing havoc to rural southeast Georgia.

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